

PUBLIC DISCLOSURE

June 21, 2022

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Banco Popular de Puerto Rico
RSSD No. 940311

209 Munoz Rivera Avenue
San Juan, PR 00918

FEDERAL RESERVE BANK OF NEW YORK

33 LIBERTY STREET
NEW YORK, NY 10045

NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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INSTITUTION'S CRA RATING

INSTITUTION'S CRA RATING: SATISFACTORY

The following table indicates the performance level of Banco Popular de Puerto Rico with respect to the lending, investment, and service tests.

PERFORMANCE TEST RATINGS TABLE

PERFORMANCE LEVELS	BANCO POPULAR DE PUERTO RICO		
	PERFORMANCE TESTS		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory	X	X	X
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

* The lending test is weighted more heavily than the investment and service tests in determining the overall rating.

Summary of Major Factors Supporting Ratings

The major factors supporting the institution's rating follow:

Lending Test:

- Lending levels reflected good responsiveness to assessment area credit needs.
- A substantial majority of loans were made in the bank's assessment area.
- The geographic distribution of loans reflected adequate penetration throughout the assessment area.
- The distribution of borrowers reflected, given the product lines offered, adequate penetration among customers of different income levels and businesses of different sizes.

- Exhibited an adequate record of serving the credit needs of low-income individuals and areas and very small businesses.
- Made a relatively high level of community development loans.
- Made use of innovative and/or flexible lending practices in serving assessment area credit needs.

Investment Test:

- Made a significant level of qualified community development investments and grants, particularly those not routinely provided by private investors, occasionally in a leadership position.
- Made significant use of innovative and/or complex investments to support community development initiatives.
- Exhibited adequate responsiveness to credit and community development needs.

Service Test:

- Delivery systems were readily accessible to the bank's geographies and individuals of different income levels in its assessment area.
- Record of opening and closing of branches did not adversely affect the accessibility of its delivery systems, particularly to low- and moderate-income ("LMI") geographies and/or LMI individuals.
- Services were tailored to convenience and needs of its assessment area, particularly LMI geographies and/or LMI individuals.
- Provided a relatively high level of community development services.

INSTITUTION

DESCRIPTION OF INSTITUTION

Banco Popular de Puerto Rico (“Banco Popular”, “BPPR”, or “the bank”) is a full-service commercial bank headquartered in San Juan, Puerto Rico. Banco Popular is primarily engaged in retail and commercial banking services, including automobile and equipment financing, investment banking, and broker-dealer and insurance services through specialized subsidiaries. All products and services are offered through Banco Popular’s 167 branch network and alternative delivery channels, such as by telephone, internet, or through automated teller machines (“ATMs”). BPPR is a publicly traded, wholly-owned subsidiary of Popular Inc., a multi-regional diversified financial holding company with \$64.2 billion in combined total assets as of December 31, 2021.

During the review period, BPPR was the leading financial institution in the Commonwealth of Puerto Rico (“Puerto Rico”, “PR”, or “the Commonwealth”), ranking first in deposit market share, small business lending, home purchase, refinance, and home improvement lending. BPPR operated 159 retail branches in its Puerto Rico assessment area and eight branches in the U.S. Virgin Islands (“USVI”) assessment area. Major competitors included Citibank N.A., FirstBank, Oriental Bank, Sun West Mortgage Company, Inc., and Banco Santander PR.

Based on the December 31, 2021 FFIEC Consolidated Report of Condition and Income (“Call Report”), Banco Popular’s loan portfolio by dollar volume consisted of a mix of residential real estate and commercial loans as summarized in the following table:

Loan Type	Total Loans	% of Total
1-4 Residential Real Estate Secured	\$6,360,000,000	41.7%
Construction	\$197,000,000	1.3%
Multifamily Dwelling	\$169,000,000	1.1%
HELOCs	\$4,000,000	0.0%
Consumer	\$2,150,000,000	14.1%
Agriculture	\$36,000,000	0.2%
Commercial & Industrial	\$2,185,000,000	14.3%
Nonfarm Nonresidential Secured	\$3,682,000,000	24.2%
Other	\$452,000,000	3.0%
Total	\$15,235,000,000	100.0%
<i>*Data as of December 31, 2021</i>		

Based on the December 31, 2021 Uniform Bank Performance Report (“UBPR”), Banco Popular’s deposit portfolio by dollar volume was comprised primarily of demand deposits and NOW and ATS accounts, as summarized in the following table:

Deposit Type	Total Deposits	% of Total
Demand Deposits	\$24,034,000,000	40.5%
All NOW and ATS Accounts	\$13,852,000,000	23.3%
Money Market Deposit Accounts	\$1,087,000,000	1.8%
Other Savings Deposits	\$14,436,000,000	24.3%
Time Deposits at or below Insurance Limit	\$3,110,000,000	5.2%
Time Deposits Above Insurance Limit	\$2,628,000,000	4.4%
Brokered Deposits	\$220,000,000	0.4%
Total	\$59,367,000,000	100.0%
<i>*Data as of December 31, 2021</i>		

DESCRIPTION OF ASSESSMENT AREA

Banco Popular’s assessment areas included all of Puerto Rico and the U.S. Virgin Islands. Within Puerto Rico, the assessment areas included eight Metropolitan Statistical Area (“MSA”) assessment areas and one non-metropolitan (“non-metro”) assessment area. In the USVI, the assessment area consisted of one non-metro assessment area. While BPPR did not change the delineation of its assessment areas from the last CRA examination, in September 2018, the Office of Management and Budget (“OMB”) adjusted three MSAs that comprise three of the bank’s assessment areas.¹ The adjustments resulted in the reassignment of the previously non-metro municipios² of Las Marías and Adjuntas to MSA 32420 and MSA 38660, respectively, and the reassignment of the municipios of Guánica, Guayanilla, Peñuelas, and Yauco from MSA 38660 to the newly created MSA 49500. Consequently, while the bank did not change its assessment area delineation in 2019 or 2020, four of the bank’s assessment areas reflected the new OMB geographic delineations. The assessment areas (“AA(s)”) were as follows:

Commonwealth of Puerto Rico

- MSA 41980 (San Juan-Bayamón-Caguas, PR)³
- MSA 10380 (Aguadilla-Isabela, PR)
- MSA 38660 (Ponce, PR)
- MSA 11640 (Arecibo, PR)
- MSA 25020 (Guayama, PR)
- MSA 32420 (Mayagüez, PR)
- MSA 41900 (San Germán, PR)
- MSA 49500 (Yauco, PR)
- Non-Metro, PR (Municipios of Coamo, Culebra, Jayuya, Maricao, Salinas, Santa Isabel, and Vieques.)

¹ [OMB BULLETIN NO. 18-04 - Revised Delineations of MSAs \(9-14-2018\)](#)

² Counties are referred to interchangeably throughout as “county(ies)” or “municipio(s)”.

³ In September 2018, the OMB changed the full name of MSA 41980 from San Juan-Carolina-Caguas, PR to San Juan-Bayamón-Caguas, PR.

U.S. Virgin Islands

- U.S. Virgin Islands: (Islands of St. Thomas, St. Croix and St. John)

Full scope assessment areas within Puerto Rico included: MSA 41980 (San Juan-Bayamón-Caguas, PR), MSA 10380 (Aguadilla-Isabela, PR), and MSA 38660 (Ponce, PR). The remaining assessment areas were evaluated as limited scope reviews due to limited lending and deposit market share and included: MSA 11640 (Arecibo, PR), MSA 25020 (Guayama, PR), MSA 32420 (Mayagüez, PR), MSA 41900 (San Germán, PR), MSA 49500 (Yauco, PR) and the non-metro, PR assessment area.

The USVI assessment area was given full scope review since this was the only assessment area in the territory.

Banco Popular's assessment areas were in compliance with the requirements of Section 228.41 of Regulation BB and did not arbitrarily exclude any LMI geographies. There were no financial or legal factors that would prevent the bank from fulfilling its responsibilities under CRA.

Previous Performance Evaluation

Banco Popular received an "Outstanding" rating as a result of the January 13, 2020 performance evaluation by the Federal Reserve Bank of New York. The lending test was rated "Outstanding," the investment test was rated "Low Satisfactory," and the service test was rated "Outstanding."

SCOPE OF EXAMINATION

Procedures

BPPR's CRA performance was evaluated using the Federal Financial Institutions Examination Council's ("FFIEC") Interagency CRA Procedures for Large Retail Financial Institutions, which consists of the lending, investment, and service tests. The evaluation considered the CRA performance context, including the bank's asset size, financial condition, market competition, assessment area demographics and credit and community development needs.

Products

Home purchase, refinance, and home improvement loans reportable under the Home Mortgage Disclosure Act ("HMDA") and small business and small farm loans reportable under CRA were analyzed for overall lending activity. However, small farm lending in the USVI was insufficient to analyze and HMDA loans were insufficient to analyze separately by product. Examiners verified the integrity of a sample of 2019 and 2020 HMDA and small business loans reported by BPPR.

Evaluation Period

Home mortgage, refinance, home improvement⁴, small farm, and small business loans originated or purchased between January 1, 2019 and December 31, 2020 were verified and analyzed. Examiners also reviewed community development loans, qualified investments, philanthropic grants, and community development services from July 1, 2019 through March 31, 2022.

Lending Analysis

Under the lending test, borrower and geographic distribution analyses were based on loans made in BPPR's assessment areas. BPPR's performance in 2019 and 2020 was compared to the U.S. Department of Commerce's Bureau of the Census 2015 American Community Survey ("2015 ACS") demographic data.

To evaluate the geographic distribution, the proportion of home purchase, refinance, and home improvement loan originations located in low- and moderate-income ("LMI") geographies was compared to the proportion of owner-occupied housing units located in LMI geographies of the assessment area. For small business loans, the analysis compared the proportion of loan originations located in LMI geographies with the proportion of businesses located in LMI geographies, based on Dun & Bradstreet ("D&B") data. Performance in low-income and in moderate-income geographies were analyzed separately.

To analyze the distribution of home purchase, refinance, and home improvement lending by borrower characteristics, the proportion of originations to LMI borrowers was compared to the proportion of LMI families residing in the assessment area. Median family income ("MFI") estimates from the FFIEC were used to categorize borrower income. For small business lending, BPPR's proportion of loans to businesses with gross annual revenues ("GAR") of \$1 million or less, based on D&B data, were compared to the proportion of all such businesses located in the assessment area. The size of the small business loans was also used as a proxy to identify lending to businesses with GAR of \$1 million or less.

Demographic and economic information was also considered. Information was obtained from publicly available sources including the 2015 ACS, the U.S. Department of Labor ("DOL"), FFIEC, and U.S. Department of Housing and Urban Development ("HUD"). USVI demographic and economic sources also included the USVI Bureau of Economic Research and USVI Bureau of Labor Statistics.

Borrower profile and geographic distribution analyses were also based on BPPR's 2019 and 2020 performance, which was compared, respectively, to 2019 and 2020 performance data for the aggregate of all loan reporters in the bank's assessment areas. Aggregate lenders included all lenders required to report HMDA-reportable and CRA small business lending data within the assessment areas, except for the USVI assessment area, as market aggregate data for HMDA lending were not available. For retail services, BPPR's branch distribution analysis was conducted using data as of December 31, 2021.

Only loans inside the assessment areas were included in the analysis of geographic and borrower distribution. Before reaching a conclusion about the bank's overall performance regarding geographic distribution and borrower characteristics in each assessment area, examiners gave greater weight to certain loan products. In each assessment area, a product's volume compared to total retail lending volume determined the weight of a product's performance in the overall conclusion. Multifamily loans were not analyzed for geographic and borrower loan distribution in any assessment area as the volume was

⁴ Home mortgage, refinance, and home improvement loans are referred to as "HMDA-related" loans throughout the performance evaluation.

insufficient; however, multifamily loans were considered in the evaluation of assessment area concentration and community development lending.

Community Development Activity Analysis

Community development activities were reviewed to determine whether the activities had community development as a primary purpose and whether the community development activities benefitted the assessment area. The eligibility of a loan, investment, or service as a community development activity was based on demographic information available to the bank at the time the community development activity was undertaken.

In addition, Puerto Rico and the US Virgin Islands were originally designated as major disaster areas due to Hurricane Maria on September 20, 2017 and CRA consideration was given for CD activities in response to the natural disaster. Per CA Letter 21-9 issued on May 27, 2021, the agencies granted a 36-month extension to the original period provided in CA 18-1 as a result of an earthquake that hit Puerto Rico in 2020 and Hurricane Ida in 2021. Examiners reviewed submitted CD loans responding to the disaster declaration for CD consideration.

Due to the impacts of the 2020 COVID-19 pandemic, in accordance with CA Letter 21-5 Community Reinvestment Act (CRA) Consideration for Activities in Response to the Coronavirus and its attachments, qualified community development activities supporting community needs related to the COVID-19 pandemic were also given consideration.

Qualified community development activities were analyzed from both the quantitative and qualitative perspectives to understand the volume of activity impacting the assessment area, the innovativeness of those activities, and the responsiveness to local community development and credit needs. When appropriate, peer comparisons were conducted using annualized metrics to gauge the relative performance of the institution in a particular assessment area. Peer banks were selected based on asset size, deposits, branching structure, and presence within Puerto Rico and the USVI.

Community Contacts and Additional Performance Context Information

In order to learn more about community credit needs, examiners conducted interviews and received comments from three non-profit agencies. Due to the coverage of these community contacts, discussions of the identification of community credit needs is provided at the Institution level instead of at the individual assessment area level.

The first community contact was held with a Community Development Financial Institution (“CDFI”) operating throughout Puerto Rico and the U.S. Virgin Islands. The CDFI’s main foci include workforce, housing, and economic development. The CDFI representative stated that access to capital for small businesses in rural areas, very small “mom and pop” businesses, entrepreneurs who are starting businesses, and small businesses is needed and particularly for working capital to fund repairs and post disaster reconstruction. The representative said that access to credit was a challenge as traditional banks lend very little to small businesses in LMI areas, especially those that are not established. Additionally, they stated that access to credit for small business in the USVI is more of a challenge than PR and there is less access to technical assistance, thus this is a need.

The representative stated that the largest banks in PR and the USVI have invested in community programs. However, these are mostly focused on social programs and affordable housing and less focused on lending to small and very small/new business in LMI areas. The contact mentioned that PPP lending during the COVID-19 pandemic did increase lending to businesses. However, only a small percentage of these loans went to small and very small businesses, especially those without existing banking relationships.

A second community contact was conducted with a community foundation, focused on promoting access to renewable energy, drinking water, housing, community economic development and education in Puerto Rico, which launched a Community Investment Fund in 2016. The contact stated that all banks in Puerto Rico have invested small amounts in the fund, which supported affordable housing and economic development and provided capital to non-profit organizations. The representative noted that economic conditions have improved slightly since 2020 due to the influx of federal funds during the pandemic and the rise in tourism. However, for LMI areas and individuals, credit needs continue to be significant and unmet. There continues to be a significant need for capital to fund reconstruction and mitigation projects in recovery areas prior to federal fund reimbursement.

The third contact also emphasized that affordable housing remains a significant credit need and noted that the shortage in affordable housing inventory is in part due to the high number of abandoned or dilapidated properties stemming from the lack of available credit for restoration of LMI housing. The contact explained that the need for affordable housing is spread out across Puerto Rico. However, there is a greater need in areas of lowest economic development which include the south and central rural areas of the island. Non-profits, which are well suited to meet community development needs, also face challenges in getting working capital. The representative noted that the large banks in Puerto Rico have invested in their Community Investment Fund and others, but that their investments are typically better suited for larger-scale, more traditional infrastructure or housing projects than for smaller, more targeted non-profit funding. Additionally, it was noted that smaller non-profits are often not set up to be able to manage large dollar funding or projects as they are tailored for small dollar amounts and micro-loans.

A fourth community contact was held with a representative of the USVI hotel industry. The representative noted that the tourism industry in the USVI has been booming since 2021 and the hotels and restaurants cannot open fast enough. Several large hotels and restaurants that closed because of damage from the last hurricane are expected to reopen post hurricanes in 2022. The representative stated that the biggest need in the USVI currently is affordable housing, especially for workers in the tourism industry. Due to the lack of hotel rooms during the pandemic when tourism demand was surging, there was a significant shift from longer term rentals to short-term Airbnb vacation rentals, in turn drastically reducing the supply of affordable longer-term rentals and noticeably driving up costs across the board.

Performance Context

The annual unemployment rate for the Commonwealth experienced an overall downward trend from 2019 to 2021 with the unemployment rate declining from 8.3% in 2019 to 7.8% in 2021. The COVID-19 pandemic caused businesses to close or reduce their workforce across Puerto Rico which increased the unemployment rate by 0.6% in 2020. However, the rate decreased rapidly to below the pre-pandemic level in 2021, though Puerto Rico's unemployment rate was still higher than that of the mainland U.S.

Puerto Rico has suffered from a severe and prolonged economic slump for more than a decade, with gross domestic product, population, and employment all on a downward trend since 2006⁵, when a tax incentive for manufacturers—Section 936—was phased out. The pharmaceutical industry continued as a key part of the PR’s economy, though employment in this industry was cut in half since the phase-out began. While Puerto Rico’s tourism sector was relatively small, it was one of the few industries that adding jobs in recent years. In addition, a fledgling aerospace industry emerged around Aguadilla and Arecibo. Wages and educational attainment in Puerto Rico tended to be about half the level of the U.S. mainland, and income inequality was considerably higher. Puerto Rico also suffered from high sovereign debt and experienced a fiscal crisis.

Puerto Rico has a very high poverty rate; based on estimates, approximately 40.5% of persons in Puerto Rico lived in poverty⁶ compared to, for example, the 11.6% of people in the mainland United States in 2021.⁷ The Commonwealth experienced an economic crises in the recent past, with government funding reductions due to the debt crisis, and required oversight by a financial control board under the Puerto Rico Oversight Management and Economic Stability Act (PROMESA), as well as the effects of Hurricane Maria. The PROMESA law required austerity measures and provided Puerto Rico with a mechanism to restructure their debt which occurred in March 2022.

The economic challenges led to substantial consolidation of the banking industry in Puerto Rico. Management noted that over the past decade, the number of consumer banks were reduced by half. The Bank of Nova Scotia had been reducing its operations and, in 2019, Oriental Bank and FirstBank acquired Scotiabank’s and Banco Santander SA’s operations, respectively.

Natural Disasters

Puerto Rico has been significantly impacted by natural disasters which have had prolonged impacts on the island’s economy, population, and infrastructure. These included Hurricane Maria in September 2017, earthquakes in late 2019 and early 2020, and the ongoing COVID-19 pandemic of 2020-2021.

Hurricane Maria had a severe effect on Puerto Rico, causing significant challenges to the population and infrastructure, including the most extensive blackout in U.S. history, and also exacerbated preexisting economic difficulties. In total, Hurricane Maria caused approximately \$90 billion in damage. In the aftermath, over 200,000 Puerto Ricans left for the mainland U.S., many temporarily and some permanently, and island residents had no access to public utilities for almost a year. Three years after Hurricane Maria, the island experienced destructive earthquakes followed by the COVID-19 pandemic.

Deriving Overall Conclusions

Before reaching a conclusion about the overall performance regarding geographic distribution and borrower characteristics in the assessment areas, examiners compared loan originations in each loan product category

⁵ [Federal Reserve Bank of New York - Regional Economy Profile: Puerto Rico](#)

⁶ [U.S. Census Bureau: Puerto Rico](#)

⁷ [Poverty in the United States: 2021 \(census.gov\)](#)

to total retail lending volume to determine the influence of performance by product on the overall conclusion.

In deriving overall conclusions, BPPR's performance in Puerto Rico received the most weight in determining the overall rating because of the high concentration of deposits, branches, and lending in the Commonwealth. BPPR's performance in the Puerto Rico assessment areas accounted for 97.5% of its total retail deposits and 98.9% of total HMDA-reportable and small business lending activity. Performance in the USVI had the second highest weight in determining the bank's overall rating. In reaching a conclusion about BPPR's overall performance within an individual assessment area, products were weighted based on their volume in that area.

In order to derive the rating for Puerto Rico, full-scope assessment areas were weighted based on the proportion of loan originations and deposits in each. As a result, MSA 41980 (San Juan-Bayamón-Caguas, PR) had a significant impact on assessing the overall performance of the bank, capturing 87.9% of the branch deposits and 70.5% of total loans within Puerto Rico. Two additional assessment areas, MSA 10380 (Aguadilla-Isabela, PR) and MSA 38660 (Ponce, PR), that had a lesser, but still important, impact on the overall rating, were also chosen as full scope assessment areas.

The combined full scope review areas made up 83.0% of the bank's loan volume, 76.0% of the bank's branches, and 90.6% of the bank's deposits in Puerto Rico. Limited scope reviews were conducted of the bank's performance in the other Puerto Rico assessment areas.

CONCLUSION WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

Banco Popular de Puerto Rico's overall performance in meeting the credit needs of its assessment area is rated *High Satisfactory*. Lending levels reflected good responsiveness to Assessment Area (AA) credit needs. A substantial majority of loans were made in the bank's AA. The geographic distribution of loans reflected adequate penetration throughout the AA. The distribution of borrowers reflected, given the product lines offered, adequate penetration among customers of different income levels and businesses of different sizes. The bank exhibited an adequate record of serving the credit needs of low-income individuals and areas and very small businesses. The bank made a relatively high level of CD loans. The bank made use of innovative and/or flexible lending practices in serving AA credit needs.

Lending Activity

BPPR's lending levels reflected good responsiveness to assessment area credit needs given the bank's capacity and overall market conditions, including the state of the housing market and economic conditions in Puerto Rico and the USVI. Overall, BPPR originated or purchased 68,602 HMDA-related, small business, and small farm loans during the evaluation period, totaling approximately \$5.2 billion.

The following table summarizes BPPR's lending activity during the review period.

SUMMARY OF LENDING ACTIVITY January 1, 2019– December 31, 2020				
Loan Type	#	%	\$(000s)	%
Home Purchase	7,829	11.4%	\$1,249,005	24.2%
Refinancing	2,209	3.2%	\$387,579	7.5%
Home Improvement	133	0.2%	\$16,892	0.3%
Multi-Family	15	0.0%	\$74,124	1.4%
Loan Purpose Not Applicable	12,048	17.6%	\$1,093,672	21.2%
Total HMDA-related	22,234	32.4%	\$2,821,271	54.6%
Small Business	45,289	66.0%	\$2,299,702	44.5%
Small Farm	1,079	1.6%	\$44,500	0.9%
TOTAL LOANS	68,602	100.0%	\$5,165,473	100.0%

*Note: Affiliate loans not included.

Assessment Area Concentration

A substantial majority of the loans originated or purchased by BPPR were made in the bank’s assessment areas as detailed in the Lending Inside and Outside the Assessment Area chart below. All but 0.1% of BPPR’s loans during the 2019 and 2020 review period were originated or purchased in its assessment areas.

LENDING INSIDE AND OUTSIDE THE ASSESSMENT AREA January 1, 2019– December 31, 2020												
Loan Type	Inside				Outside				Total			
	#	%	\$(000s)	%	#	%	\$(000s)	%	#	%	\$(000s)	%
Home Purchase	7,829	100%	\$1,249,005	100.0%	0	0.0%	\$0	0.0%	7,829	100.0%	\$1,249,005	100.0%
Refinancing	2,207	99.9%	\$386,498	99.7%	2	0.1%	\$1,080	0.3%	2,209	100.0%	\$387,579	100.0%
Home Improvement	133	100.0%	\$16,892	100.0%	0	0.0%	\$0	0.0%	133	100.0%	\$16,892	100.0%
Multi-Family	12	80%	\$73,908	99.7%	3	20%	\$216	0.3%	15	100.0%	\$74,124	100.0%
Loan Purpose NA	12,048	100.0%	\$1,093,672	100.0%	0	0.0%	\$0	0.0%	12,048	100.0%	\$1,093,672	100.0%
Total HMDA-related	22,229	100.0%	\$2,819,975	100.0%	5	0.0%	\$1,296	0.0%	22,234	100.0%	\$2,821,271	100.0%
Small Business	45,265	99.9%	\$2,297,926	99.9%	24	0.1%	\$1,776	0.1%	45,289	100.0%	\$2,299,702	100.0%
Small Farm	1,078	99.9%	\$44,479	100.0%	1	0.1%	\$21	0.0%	1,079	100.0%	\$44,500	100.0%
TOTAL LOANS	68,572	99.9%	\$5,162,380	99.9%	30	0.1%	\$3,093	0.1%	68,602	100.0%	\$5,165,473	100.0%

Geographic Distribution of Loans

Overall, the geographic distribution of HMDA-related and small business and small farm loans reflected adequate penetration throughout the assessment area based on the lending performance in Puerto Rico, and the bank’s level of loan penetration in LMI geographies in MSA 41980 (San Juan-Bayamón-Caguas, PR), MSA 10380 (Aguadilla-Isabela, PR) and MSA 38660 (Ponce, PR), and to a lesser extent, the bank’s

adequate performance in the USVI. The analysis considered performance context factors such as the number of owner-occupied housing units in LMI geographies and the market aggregate’s performance.

Distribution by Borrower Income and Revenue Size of Business

The overall distribution of loans among borrowers of different income levels and businesses and farms of different sizes was adequate based on the lending performance in Puerto Rico, driven primarily by the bank’s performance in MSA 41980 (San Juan-Bayamón-Caguas, PR), MSA 38660 (Ponce, PR), the USVI and the bank’s good performance in the lesser weighted MSA 10380 (Aguadilla-Isabela, PR). The lending analysis considered performance context factors such as the disparity between housing prices and incomes, which generally places owner-occupied housing beyond the reach of LMI families.

Community Development Lending

BPPR made a relatively high level of community development loans. During the evaluation period, the bank made 535 qualified community development loans, totaling \$1.1 billion in its assessment areas. Annualized, the bank made 195 CD loans totaling \$385 million. This represented a 25.0% decrease by number and a 27.3% decrease by dollar when compared to the bank’s annualized CD lending during the previous exam period. When compared to two peer banks and its own performance during the last exam period, BPPR ranked fourth when comparing annualized community development loans to total deposits, ranked third when comparing annualized CD loans as a percentage of Tier 1 capital, and ranked fourth relative to annualized CD loans as a percentage of average assets.

As detailed in the chart below, the bank’s qualified community development lending was responsive to identified economic development, revitalization and stabilization, and community service needs. Additionally, of the bank’s total qualified community development lending, 133 loans, totaling \$272 million, were originated under the PPP loan program established by the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) of 2020 and designed to provide direct capital for small businesses adversely affected by the COVID-19 pandemic to keep workers on small business payrolls and is found to be particularly responsive to the acute credit needs during this timeframe.⁸

COMMUNITY DEVELOPMENT LOAN SUMMARY July 1, 2019 - March 31, 2022										
Assessment Area	Affordable Housing		Economic Development		Community Service		Revitalization & Stabilization		Total	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
MSA 41980	4	\$13,301	31	\$141,419	225	\$261,922	121	\$421,035	381	\$837,677
MSA 10380	1	\$714	3	\$4,601	24	\$3,425	7	\$18,536	35	\$27,276

⁸ Pursuant to [CA 21-5: CRA Considerations for Activities in Response to the Coronavirus - FAQs](#), PPP in amounts greater than \$1 million submitted by the bank were reviewed and qualified for consideration as community development loans if they also had a primary purpose of community development as defined under the CRA.

MSA 38660	0	\$0	3	\$1,265	27	\$16,849	9	\$14,832	39	\$32,946
MSA 11640	0	\$0	2	\$1,427	10	\$1,754	3	\$4,494	15	\$7,676
MSA 25020	0	\$0	1	\$20,929	1	\$4,000	2	\$4,586	4	\$29,515
MSA 32420	4	\$1,453	5	\$15,795	13	\$5,581	5	\$11,312	28	\$34,141
MSA 41900	3	\$3,831	1	\$32	4	\$3,174	0	\$0	7	\$7,038
MSA 49500	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0
Non-Metro PR	0	\$0	3	\$1,564	10	\$1,239	0	\$0	12	\$2,803
Puerto Rico	12	\$19,299	49	\$187,032	314	\$297,944	147	\$474,795	522	\$979,072
USVI	0	\$0	0	\$0	3	\$2,670	10	\$76,057	13	\$78,725
Total CD Loans	12	\$19,299	49	\$187,032	317	\$300,614	157	\$550,852	535	\$1,057,797
% of Total	2.2%	1.8%	9.2%	17.7%	59.3%	28.4%	29.3%	52.1%	100.0%	100.0%

Innovative and/or Flexible Lending Practices

BPPR made use of innovative and/or flexible lending practices in serving assessment area credit needs. A number of BPPR's products, while not new, were responsive to community needs in the bank's assessment areas. These included:

- Small Business Administration (“SBA”) lender programs were offered, including the Certified Lenders Program (“CLP”), and Preferred Lenders Program (“PLP”). BPPR offered loans through the SBA 504 program.
- Pronto Popular offers the First Home Club (“FHC”) grant program in conjunction with the Federal Home Loan Bank of New York (“FHLBNY”). The program is a non-competitive set-aside program which assists first-time homebuyers with incomes at or below 80% of Area Median Income (“AMI”). Assistance is provided in the form of matching funds based on the household's systematic savings within a dedicated savings account. Based on a 4:1 match of household's savings, the maximum grant is \$7,500. The matching funds may be used toward the down payment and/or closing costs for the purchase of a home. Additionally, FHC provided up to \$500 towards the defrayment of non-profit housing agency counseling costs which is added to the grant resulting in the potential maximum assistance of \$8,000.
- Homebuyer Dream Program (“HDP”) is a homeownership set-aside program established by the FHLBNY and offered by BPPR. The HDP provides funds in the form of a grant to be used towards down payment and closing cost assistance to first-time homebuyers earning at or below 80% of the AMI and purchasing homes in New York, New Jersey, Puerto Rico or the U.S. Virgin Islands. The HDP offered grants up to \$10,000 and granted up to \$9,500 towards down payment and closing cost assistance to eligible first-time homebuyers. Additionally, the HDP offered up to \$500 towards the defrayment of homeownership counseling costs which is added to the grant.

- HOME Investment Partnerships Program provides annually awarded grants through the Puerto Rico Housing Authority and HUD to participating jurisdictions for a wide range of activities to create affordable housing for low-income households.
- Homebuyer Assistance Program (“HAP”) that utilized Community Development Block Grant Disaster Recovery (“CDBG-DR”) funds to provide direct assistance to homebuyers to facilitate and expand homeownership. CDBG-DR funds subsidize interest rates and mortgage principal amounts, pay up to 100 percent (100%) of the down payment required by the mortgage for, or reasonable closing costs associated with, the purchase on behalf of the purchaser.
- BPPR offered two disaster recovery grant programs through the FHLBNY: Homeowner Recovery Grant Program and the Small Business Recovery Grant program. These programs assisted homeowners and small businesses in Puerto Rico and the U.S. Virgin Islands that sustained damage as a direct result of Hurricanes Irma and Maria in September 2017, the earthquake in 2020, and Hurricane Ida in 2021. BPPR served as an intermediary and was responsible for identifying potential beneficiaries and for collecting, verifying, and retaining eligibility documentation.
- StartUp Popular provided financing, coaching, and networking for business with proven ideas that have been operating for less than two years. Financing was provided through loans structured to meet the needs and profiles of start-up clients, such as lower interest rates and payments during initial repayment. In addition, loans provided up to a full year of lower payments to invest the provided funds and build a cash flow. Other benefits included commercial service fee discounts such as: free online banking for 12 months, free commercial checking for 12 months, direct service with the StartUp team, and free marketing through the StartUp initiative campaign.
- The JumpStart program, an initiative for commercial customers affected by the earthquakes in municipalities declared an emergency by the Federal Emergency Management Agency (“FEMA”), consisted of allocating funds for any need that arose in the wake of the earthquakes. In addition, the program provided an accelerated evaluation process and more attractive financing terms than a regular loan.
- BPPR participated in HUD’s Neighborhood Stabilization Program (“NSP”) which provided emergency assistance to state and local governments to acquire and redevelop foreclosed properties that might otherwise become sources of abandonment and blight within their communities. The NSP provided grants to states, certain local communities, and other organizations to purchase foreclosed or abandoned homes and to rehabilitate, resell, or redevelop these homes in order to stabilize neighborhoods and stem the decline of house values of neighboring homes. Additionally, very low, low to moderate- and median-income families received a discount of appraisal value to use toward down payment for the purchase of the rehabilitated property.
- Other innovative and/or flexible lending programs included:
 - Section 8 to Homeownership – housing Choice Voucher Program;
 - Veterans Administration Loans;
 - Special loan modifications;
 - SBA PPP loans; and
 - COVID-19 payment relief program that offered a 90-day forbearance on retail loans.

INVESTMENT TEST

BPPR's performance relative to the investment test is rated *High Satisfactory* based on a significant level of qualified CD investments and grants, particularly those not routinely provided by private investors, occasionally in a leadership position. Overall, the bank made significant use of innovative and/or complex investments to support CD initiatives based on significant use in Puerto Rico and occasional use in the USVI. The bank exhibited adequate responsiveness to credit and CD needs in its assessment areas.

During the current evaluation period, the bank made 490 qualified CD investments totaling \$200.5 million, of which, 446 totaling \$13 million were CD grants and 44 totaling \$187.5 million were investments. Of the 44 investments, 17, or 38.6%, were prior period investments with a book value of \$70.1 million as of March 31, 2022.

Over the 33-month evaluation period, the bank's annualized total qualified investments, including investments and grants, equaled 178 by number and \$72.9 million by dollar. Annualized separately, the bank's CD investments totaled 16 by number and \$68.2 million by dollar, while the bank's grants totaled 162 by number and \$4.7 million by dollar. When comparing BPPR's annualized CD investment activity to levels exhibited during the prior exam period, the bank's total qualified CD investments, including grants, increased 70.3% by dollar. More specifically, when compared to the prior exam levels, the bank's annualized CD investments alone increased 106% by number and 77.1% by dollar, while the bank's annualized CD grants decreased 65.2% by number but increased 10.1% by dollar. The bank's increase in annualized CD investments was noteworthy and supported a performance rating upgrade in the investment test from the last exam, in which the bank's investment test performance was rated a low satisfactory.

When compared to two peer banks and its own performance during the last exam period, BPPR ranked second when comparing annualized CD investments loans to total deposits, ranked second when comparing annualized CD investments as a percentage of Tier 1 capital, and ranked second relative to annualized CD investments as a percentage of average assets.

Overall, the bank made significant use of innovative and complex investments to support CD initiatives, driven by significant use in Puerto Rico and occasional use in the USVI. Out of 44 investments, two, totaling \$8.5 million, were considered complex and three, totaling \$109 million, were considered innovative.

One complex investment was made in Popular Community Capital ("PCC").

- Established by BPPR in 2016, PCC's focus was on job creation and support services targeted to LMI individuals and communities. PCC accomplished this by providing capital to small businesses located in LMI census tracts, and to businesses of all sizes serving LMI individuals. PCC qualified for a New Markets Tax Credits ("NMTC") allocation; a complex structure aimed at serving low-income communities.

BPPR's innovative investments also included investments in the Popular Mezzanine Fund and the Impact Fund.

- In 2017, BPPR established the Popular Mezzanine Fund, an innovative way to invest in the Puerto Rico amid the shift in available government investment vehicles. This fund was aimed exclusively at meeting the credit needs of Puerto Rican communities, including those that were LMI, as public

welfare investments. Economic development and job creation were core objectives, as was providing capital to those unable to obtain traditional financing.

- The Impact Fund, an investment product established by the bank, invested in companies that fostered innovation in the financial services sector or sought to address challenges faced by the communities in which the bank does business, such as access to financial services, community development, and environmental sustainability. BPPR made an initial investment of \$9 million to the Impact Fund.

BPPR exhibited adequate responsiveness to credit and community development needs. The bank invested and donated across Puerto Rico and the USVI, supporting small businesses and LMI individuals through the creation and retention of jobs, community service, and worked to rebuild PR and the USVI after natural disasters and the COVID-19 pandemic.

As for CD investments in affordable housing, a significant need in LMI communities across PR and the USVI, 36 of the bank's 37 investments with a primary purpose of affordable housing were mortgage-backed securities, which is considered less complex.

BPPR's investment activity is illustrated in the Qualified Investments and Grants Summary table. BPPR's investments impacted many areas of Puerto Rico and were not targeted to one county, MSA, or non-metropolitan area. Because the bank did not exclude any areas in Puerto Rico from its assessment areas, investments that did not have geographic specifications or exclusions are attributed to benefitting all of Puerto Rico in the analysis and are represented under "All PR" in the subsequent table.

COMMUNITY DEVELOPMENT INVESTMENT SUMMARY										
July 1, 2019 - March 31, 2022										
Assessment Area	Affordable Housing		Economic Development		Community Service		Revitalization & Stabilization		Total	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
MSA 41980	0	\$0	28	\$5,934	263	\$6,591	15	\$745	306	\$13,270
MSA 10380	0	\$0	0	\$0	8	\$169	1	\$25	9	\$194
MSA 38660	0	\$0	1	\$53	16	\$422	1	\$55	18	\$530
MSA 11640	0	\$0	0	\$0	5	\$70	0	\$0	5	\$70
MSA 25020	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0
MSA 32420	0	\$0	1	\$160	10	\$106	0	\$0	11	\$266
MSA 41900	0	\$0	0	\$0	1	\$25	0	\$0	1	\$25
MSA 49500	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0
Non-Metro PR	0	\$0	0	\$0	5	\$81	1	\$28	6	\$109
All PR	25	\$90,304	13	\$92,515	43	\$1,395	3	\$495	84	\$184,709
Puerto Rico	25	\$90,304	43	\$98,662	351	\$8,859	21	\$1,348	440	\$199,173
USVI	12	\$1,039	0	\$0	37	\$243	1	\$40	50	\$1,322
Total CD Investments	37	\$91,343	43	\$98,662	388	\$9,102	22	\$1,388	490	\$200,495
% of Total	7.6%	44.2%	8.8%	50.7%	79.2%	4.4%	4.5%	0.7%	100.0%	100.0%

SERVICE TEST

BPPR's overall rating on the service test is *High Satisfactory* based primarily on ratings for the full scope assessment areas. Delivery systems were readily accessible to the bank's geographies and individuals of different income levels in its AA. The bank's record of opening and closing of branches did not adversely affect the accessibility of its delivery systems, particularly to low- and moderate-income (LMI) geographies and/or LMI individuals. Services were tailored to convenience and needs of its AA, particularly LMI geographies and/or LMI individuals. The bank provided a relatively high level of CD services.

Retail Services

BPPR's branches were readily accessible to all geographies of its assessment areas. The bank operated 167 branches, of which one was a limited purpose-branch. Of the bank's total branches, 49, or 29.3%, were in LMI areas, compared to 26.7% of the assessment areas' population residing in LMI areas. Additionally, seven, or 4.2%, of the branches were in distressed or underserved non-metropolitan middle-income geographies.

Alternative delivery systems somewhat enhanced BPPR’s performance in its assessment areas. BPPR operated a total of 635 ATMs throughout its assessment areas, of which 341 ATMs were located on-site at BPPR’s branches. Of the 294 ATMs located off-site, 10, or 3.4%, were located in low-income geographies and 46, or 15.6%, were in moderate-income geographies. BPPR’s ATMS were equipped with a new feature called Easy Payment which allowed customers to make payments to the businesses registered in their profile and to all Popular brand businesses: Popular Mortgage, Popular Auto, credit cards, personal loans, and reserve lines. Easy Payment could also be used to pay bills to the Aqueduct and Sewer Authority (PRASA), Liberty, DirecTV, Claro, and Open Mobile. BPPR offered other alternative delivery systems such as bank-by-mail, internet banking, mobile banking, Mi Banco Alerts, ATH Móvil, and Easy Deposits service. In addition, BPPR provided 24/7/365 customer service.

BPPR’s record of opening and closing branches did not adversely affect the overall accessibility of its delivery systems to low- and moderate-income geographies and individuals. During the evaluation period, BPPR opened one branch in a low-income census tract and relocated two branches, of which one was in a moderate-income census tract. Additionally, BPPR consolidated five branches into existing branches, none of which were in LMI census tracts.

Saturday, Sunday, and holiday hours were widely scheduled and tailored to meet the convenience and needs of the assessment areas, particularly LMI geographies and individuals. Of the 49 branches in LMI areas, 27, or 55.1%, had Saturday, Sunday or holiday hours.

BRANCH LOCATION BY INCOME TRACT As of December 31, 2021				
Tract Income Category	Branches		ATMs	
	#	%	#	%
Low	15	9.0%	40	6.3%
Moderate	34	20.4%	107	16.9%
LMI Combined	49	29.3%	147	23.2%
Middle	58	34.7%	209	32.9%
Upper	57	34.1%	261	41.1%
Unknown	3	1.8%	18	2.8%
Total	167	100.0%	635	100.0%

Community Development Services

BPPR provided a relatively high level of CD services in its assessment areas. BPPR conducted 2,599 qualified community service events, representing an overall decrease of 6.0% in annualized community development services since the previous CRA examination. The bank’s qualified community development services consisted of a wide variety of events related to the financial education of children and adults, first-time homebuyers, economic development, and technical assistance.

The Community Development Services table below illustrates the type and number of community development services provided. The bank's community development events included participation in a significant number of financial education seminars targeted to LMI individuals and technical assistance provided to community organizations and small businesses.

COMMUNITY DEVELOPMENT SERVICES SUMMARY July 1, 2019 - March 31, 2022	
Activity Type	CD Activity Number
Board & Committee Memberships	172
Technical Assistance	1,023
Seminars and Other Services	1,404
Total	2,599

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

BPPR was in compliance with the substantive provisions of the anti-discrimination laws and regulations. No evidence of discriminatory or other illegal credit practices was identified as being inconsistent with helping to meet the credit needs of the assessment area. The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act) established the Consumer Financial Protection Bureau (CFPB). In general, the Dodd-Frank Act gives the CFPB, among other things, primary evaluation and enforcement authority over insured depository institutions with total assets of more than \$10 billion when assessing compliance with the requirements of Federal consumer financial laws, including BPPR. The Federal Reserve, however, retains authority to enforce compliance with the CRA and certain other consumer compliance laws and regulations. During the review period of this evaluation, January 1, 2019 through December 31, 2020, the Federal Reserve did not cite violations involving discriminatory or other illegal credit practices that adversely affected the Federal Reserve's evaluation of the bank's CRA performance.

COMMONWEALTH OF PUERTO RICO

CRA RATING FOR PUERTO RICO: SATISFACTORY

The Lending Test is rated: High Satisfactory

The Investment Test is rated: High Satisfactory

The Service Test is rated: High Satisfactory

The major factors supporting the rating include:

Lending Test

- Lending levels reflected good responsiveness to assessment area credit needs.
- The geographic distribution of loans reflected adequate penetration throughout the AA.
- The distribution of borrowers reflected, given the product lines offered, adequate penetration among customers of different income levels and businesses of different sizes.
- Exhibited an adequate record of serving the credit needs of low-income individuals and areas and very small businesses.
- Made a relatively high level of community development loans.
- Made use of innovative and/or flexible lending practices in serving assessment area credit needs.

Investment Test

- Made a significant level of qualified community development investments and grants, particularly those not routinely provided by private investors, occasionally in a leadership position.
- Made significant use of innovative and/or complex investments to support community development initiatives.
- Exhibited adequate responsiveness to credit and community development needs.

Service Test

- Delivery systems were readily accessible to the bank's geographies and individuals of different income levels in its assessment area.
- Record of opening and closing of branches did not adversely affect the accessibility of its delivery systems, particularly to LMI geographies and/or LMI individuals.

- Services were tailored to convenience and needs of its assessment area, particularly LMI geographies and/or LMI individuals.
- Provided a relatively high level of community development services.

SCOPE OF EXAMINATION

Examiner evaluation of BPPR's activities in the Commonwealth of Puerto Rico consisted of full-scope reviews of MSA 41980 (San Juan-Bayamón-Caguas, PR), MSA 10380 (Aguadilla-Isabela, PR), and MSA 38660 (Ponce, PR). Additionally, limited scope assessment areas in Puerto Rico were conducted for MSA 11640 (Arecibo, PR), MSA 25020 (Guayama, PR), MSA 32420 (Mayagüez, PR), MSA 41900 (San Germán, PR), MSA 49500 (Yauco, PR), and Non-Metropolitan Puerto Rico, which did not contribute to the overall rating. BPPR's performance in the Puerto Rico's combined full scope review areas made up 83.0% of the bank's loan volume, 76.0% of the bank's branches, and 90.6% of the bank's deposits in Puerto Rico and accounted for 97.5% of its total retail deposits and 98.9% of total HMDA-reportable and small business lending activity.

In order to derive the rating for Puerto Rico, full-scope assessment areas were weighted based on the proportion of loan originations and deposits in each. As a result, MSA 41980 (San Juan-Bayamón-Caguas, PR) had a significant impact on assessing the overall performance of the bank, capturing 87.9% of the branch deposits and 70.5% of total loans within Puerto Rico.

DESCRIPTION OF INSTITUTION'S OPERATIONS

As of December 31, 2021, BPPR operated the largest branch network in Puerto Rico with and 294 off-site ATMs. Based on deposits reported to the Federal Deposit Insurance Corporation ("FDIC") as of June 30, 2021, BPPR's branch deposits represented 51.9% of all bank deposits in the Commonwealth of Puerto Rico. BPPR's primary bank competitors in Puerto Rico for assessment area deposits included Citibank, N.A., with 26.5% of deposit market share; FirstBank, which captured 13.3% of deposit market share; and Oriental Bank, with 8.2% of deposit market share.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

Conclusions regarding BPPR's performance in the Commonwealth of Puerto Rico with respect to the lending, investment, and service tests are based on performance in MSA 41980 (San Juan-Bayamón-Caguas, PR), MSA 10380 (Aguadilla-Isabela, PR), and MSA 38660 (Ponce, PR). BPPR's performance under the lending, investment and service tests are rated High Satisfactory. Specific comments regarding the lending, investment, and service tests are discussed below.

METROPOLITAN AREA
MSA 41980 (SAN JUAN-BAYAMÓN-CAGUAS, PR)
(FULL REVIEW)

DESCRIPTION OF INSTITUTION'S OPERATIONS

As of December 31, 2021, the bank operated 106 branches in the MSA 41980 (San Juan-Bayamón-Caguas, PR), of which 32 were in low- and moderate-income tracts. The assessment area is comprised of 30 low-, 160 moderate-, 215 middle -, and 154 upper-income tracts, as well as 39 unknown income tracts.

BPPR was the leader in deposit market share in MSA 41980 (San Juan-Bayamón-Caguas, PR), according to the June 30, 2021 FDIC Summary of Deposit Report. The bank ranked first out of five financial institutions in the assessment area with \$48.5 billion in deposits, representing approximately 50.5% of deposit market share and 87.2% of all BPPR's deposits in Puerto Rico. MSA 41980 had the largest share of the bank's loans during the exam period with approximately 70.5% of BPPR's lending volume in the assessment area. The primary competitors in the area included Citibank, NA, FirstBank, and Oriental Bank.

PERFORMANCE CONTEXT

The following demographic and economic information were obtained from publicly available sources that included the 2015 ACS, U.S. Department of Labor ("DOL"), D&B, FFIEC, and U.S. Department of Housing and Urban Development ("HUD").

Demographic Characteristics

The MSA 41980 assessment area included Aguas Buenas, Aibonito, Barceloneta, Barranquitas, Bayamón, Caguas, Canóvanas, Carolina, Cataño, Cayey, Ceiba, Ciales, Cidra, Comerío, Corozal, Dorado, Fajardo, Florida, Guaynabo, Gurabo, Humacao, Juncos, Las Piedras, Loíza, Luquillo, Manatí, Maunabo, Morovis, Naguabo, Naranjito, Orocovis, Río Grande, San Juan, San Lorenzo, Toa Alta, Toa Baja, Trujillo Alto, Vega Alta, Vega Baja, and Yabucoa counties. The assessment area was comprised of the entire MSA. According to the 2015 ACS, the population of the assessment area was 2,263,582. The assessment area consisted of 598 census tracts, of which 30 or 5.0% were low-income, 160 or 26.8% were moderate-income, 215 or 36.0% were middle-income, 154 or 25.8% were upper-income, and 39 or 6.5% were of unknown-income.

Income Characteristics

Based on the 2015 ACS data, the MSA 41980 assessment area had 558,600 families, of which 26.5% were low-income (37.8% of which were below the poverty level), 15.0% were moderate-income, 15.7% were middle-income, and 42.8% were upper income.

The FFIEC median family incomes for the counties that comprised the MSA as of the 2015 ACS were as follows:

MSA 41980 (San Juan-Bayamón-Caguas, PR) - Median Family Income			
Area	2010 Median Family Income	2015 Median Family Income	Percent Change
MSA 41980 AA	\$27,017	\$25,617	-5.18%
Aguas Buenas Municipio, PR	\$19,044	\$18,123	-4.83%
Aibonito Municipio, PR	\$20,679	\$20,897	1.05%
Barceloneta Municipio, PR	\$20,020	\$17,260	-13.79%
Barranquitas Municipio, PR	\$17,184	\$15,274	-11.11%
Bayamón Municipio, PR	\$32,071	\$28,660	-10.63%
Caguas Municipio, PR	\$28,834	\$27,775	-3.67%
Canóvanas Municipio, PR	\$26,268	\$23,990	-8.67%
Carolina Municipio, PR	\$33,906	\$31,903	-5.91%
Cataño Municipio, PR	\$23,816	\$23,240	-2.42%
Cayey Municipio, PR	\$24,142	\$23,815	-1.35%
Ceiba Municipio, PR	\$24,793	\$23,504	-5.20%
Ciales Municipio, PR	\$16,636	\$16,419	-1.30%
Cidra Municipio, PR	\$26,145	\$25,033	-4.25%
Comerio Municipio, PR	\$16,115	\$14,889	-7.61%
Corozal Municipio, PR	\$18,145	\$17,669	-2.62%
Dorado Municipio, PR	\$33,304	\$32,144	-3.48%
Fajardo Municipio, PR	\$24,060	\$23,454	-2.52%
Florida Municipio, PR	\$19,367	\$18,837	-2.74%
Guaynabo Municipio, PR	\$41,411	\$42,763	3.27%
Gurabo Municipio, PR	\$32,867	\$34,612	5.31%
Humacao Municipio, PR	\$23,497	\$22,165	-5.67%
Juncos Municipio, PR	\$22,086	\$21,489	-2.70%
Las Piedras Municipio, PR	\$22,793	\$22,485	-1.35%
Loíza Municipio, PR	\$24,418	\$20,781	-14.89%
Luquillo Municipio, PR	\$24,900	\$22,476	-9.73%

Manatí Municipio, PR	\$21,516	\$23,289	8.24%
Maunabo Municipio, PR	\$19,240	\$21,563	12.08%
Morovis Municipio, PR	\$16,085	\$18,809	16.94%
Naguabo Municipio, PR	\$19,720	\$21,008	6.53%
Naranjito Municipio, PR	\$18,046	\$21,185	17.39%
Orocovis Municipio, PR	\$15,707	\$15,778	0.45%
Río Grande Municipio, PR	\$26,309	\$25,671	-2.43%
San Juan Municipio, PR	\$30,598	\$26,498	-13.40%
San Lorenzo Municipio, PR	\$21,947	\$20,300	-7.50%
Toa Alta Municipio, PR	\$28,502	\$33,043	15.93%
Toa Baja Municipio, PR	\$28,847	\$26,813	-7.05%
Trujillo Alto Municipio, PR	\$36,894	\$34,231	-7.22%
Vega Alta Municipio, PR	\$21,386	\$20,412	-4.55%
Vega Baja Municipio, PR	\$21,013	\$20,867	-0.70%
Yabucoa Municipio, PR	\$20,792	\$20,064	-3.50%
Puerto Rico	\$23,700	\$22,976	-3.05%
<i>Source: 2006 - 2010 U.S. Census Bureau American Community Survey 2011 - 2015 U.S. Census Bureau American Community Survey Median Family Incomes have been inflation-adjusted and are expressed in 2015 dollars.</i>			

Housing Characteristics

Based on the 2015 ACS data, the MSA 41980 assessment area had 983,154 housing units, of which 55.8% were owner-occupied, 24.9% were rental, and 19.2% were vacant. Of the total housing units, 3.9% were located in low-income tracts, 26.3% in moderate-income tracts, 39.3% in middle-income tracts, 30.0% in upper-income tracts, and 0.4% in unknown-income tracts. In low-income census tracts, 25.3% of housing units were owner-occupied, 55.8% were rental units, and 18.9% were vacant. In moderate-income census tracts, 51.8% of housing units were owner-occupied, 27.1% were rental units, and 21.0% were vacant.

The median age of housing stock in the assessment area was 39 years old, with 5.8% of the stock built before 1950. According to the 2015 ACS, the median housing value in the assessment area was \$134,138 with an affordability ratio of 16.2. The median gross rent in the assessment area was \$491 per month.

Geographic Area	2015 Median Housing Value	2015 Affordability Ratio	2015 Median Gross Rent
MSA 41980 AA	\$134,138	16.15	\$491
Aguas Buenas Municipio, PR	\$102,900	14.41	\$420
Aibonito Municipio, PR	\$129,600	13.35	\$412
Barceloneta Municipio, PR	\$106,300	14.31	\$448

Barranquitas Municipio, PR	\$99,000	14.48	\$374
Bayamón Municipio, PR	\$142,800	17.11	\$547
Caguas Municipio, PR	\$138,000	17.22	\$512
Canóvanas Municipio, PR	\$121,100	16.53	\$493
Carolina Municipio, PR	\$152,800	18.3	\$615
Cataño Municipio, PR	\$124,300	14.74	\$336
Cayey Municipio, PR	\$118,100	17.57	\$457
Ceiba Municipio, PR	\$97,300	21.28	\$477
Ciales Municipio, PR	\$108,200	11.67	\$366
Cidra Municipio, PR	\$118,200	19.73	\$503
Comerio Municipio, PR	\$92,700	14.16	\$361
Corozal Municipio, PR	\$101,800	14.83	\$422
Dorado Municipio, PR	\$140,300	19.21	\$644
Fajardo Municipio, PR	\$106,700	18.11	\$468
Florida Municipio, PR	\$91,300	16.42	\$437
Guaynabo Municipio, PR	\$200,400	17.32	\$618
Gurabo Municipio, PR	\$163,600	17.92	\$586
Humacao Municipio, PR	\$102,400	18.89	\$466
Juncos Municipio, PR	\$117,700	16.26	\$424
Las Piedras Municipio, PR	\$114,800	16.41	\$456
Loíza Municipio, PR	\$107,200	17.46	\$455
Luquillo Municipio, PR	\$111,000	16.37	\$489
Manatí Municipio, PR	\$114,900	15.81	\$457
Maunabo Municipio, PR	\$99,200	19.7	\$345
Morovis Municipio, PR	\$101,200	16.34	\$472
Naguabo Municipio, PR	\$94,100	19.88	\$418
Naranjito Municipio, PR	\$103,300	16.87	\$426
Orocovis Municipio, PR	\$107,600	13.11	\$350
Río Grande Municipio, PR	\$116,600	19.08	\$531
San Juan Municipio, PR	\$163,100	13.02	\$466
San Lorenzo Municipio, PR	\$119,200	13.87	\$466
Toa Alta Municipio, PR	\$150,000	19.98	\$582
Toa Baja Municipio, PR	\$135,600	17.19	\$543
Trujillo Alto Municipio, PR	\$158,900	18.97	\$543
Vega Alta Municipio, PR	\$122,200	14.74	\$503
Vega Baja Municipio, PR	\$116,200	14.59	\$549
Yabucoa Municipio, PR	\$91,600	17.06	\$419
Puerto Rico	\$120,500	16.06	\$456

Housing Cost Burden

According to HUD's Comprehensive Housing Affordability Strategy data, within the assessment area, 31.6% of all rental households had rental costs that exceeded 30% of their incomes, 37.9% of low-income rental households had rental costs that exceeded 30% of their income, and 44.1% of moderate-income rental households had rental costs that exceeded 30% of their income.

According to HUD's data, within the assessment area, 25.1% of homeowners had housing costs that exceeded 30% of their incomes, 42.4% of low-income homeowners had housing costs that exceeded 30% of their income, and 32.8% of moderate-income homeowners had housing costs that exceeded 30% of their income. See the "Housing Cost Burden" table below for more details.

MSA 41980 (San Juan-Bayamón-Caguas, PR) - 2020 Housing Cost Burden						
Area	Cost Burden - Renters			Cost Burden - Owners		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
MSA 41980 AA	37.9%	44.1%	31.6%	42.4%	32.8%	25.1%
Aguas Buenas Municipio, PR	19.0%	16.1%	14.2%	33.3%	22.9%	20.2%
Aibonito Municipio, PR	54.0%	70.7%	43.7%	54.6%	29.5%	21.7%
Barceloneta Municipio, PR	26.1%	34.8%	22.3%	37.0%	26.6%	24.6%
Barranquitas Municipio, PR	70.4%	61.2%	53.0%	57.2%	35.9%	28.3%
Bayamón Municipio, PR	41.8%	52.2%	34.5%	47.5%	39.4%	26.2%
Caguas Municipio, PR	41.5%	46.4%	33.0%	46.3%	36.5%	24.8%
Canóvanas Municipio, PR	21.1%	26.2%	18.7%	31.5%	25.5%	23.9%
Carolina Municipio, PR	40.7%	54.3%	33.1%	51.9%	47.3%	27.5%
Cataño Municipio, PR	25.3%	42.9%	25.6%	34.2%	47.8%	26.1%
Cayey Municipio, PR	38.1%	34.7%	30.6%	39.1%	29.2%	23.0%
Ceiba Municipio, PR	32.4%	40.5%	20.8%	44.6%	46.0%	28.8%
Ciales Municipio, PR	7.3%	29.2%	12.8%	43.2%	14.5%	20.9%
Cidra Municipio, PR	25.6%	40.9%	23.6%	35.3%	24.8%	19.6%
Comerío Municipio, PR	36.6%	23.3%	28.7%	32.5%	17.1%	18.2%
Corozal Municipio, PR	31.5%	47.1%	26.1%	51.7%	22.0%	29.7%
Dorado Municipio, PR	26.6%	43.2%	24.4%	43.8%	23.0%	28.0%
Fajardo Municipio, PR	44.6%	27.5%	32.9%	38.7%	40.2%	24.5%
Florida Municipio, PR	45.5%	54.2%	43.1%	37.3%	19.6%	21.6%
Guaynabo Municipio, PR	39.8%	31.8%	29.7%	53.4%	34.9%	27.7%
Gurabo Municipio, PR	45.4%	44.1%	32.3%	51.6%	31.3%	26.3%

Humacao Municipio, PR	35.8%	33.5%	30.1%	39.7%	24.7%	20.7%
Juncos Municipio, PR	44.8%	15.0%	29.3%	37.6%	42.3%	28.2%
Las Piedras Municipio, PR	28.1%	61.4%	27.9%	37.7%	30.7%	22.0%
Loíza Municipio, PR	28.6%	25.0%	21.6%	27.6%	30.3%	22.0%
Luquillo Municipio, PR	43.9%	44.1%	35.3%	41.8%	35.1%	26.7%
Manatí Municipio, PR	40.6%	44.6%	31.6%	39.0%	29.4%	22.2%
Maunabo Municipio, PR	29.6%	13.8%	18.7%	44.6%	19.8%	17.4%
Morovis Municipio, PR	22.6%	29.9%	22.3%	39.1%	18.8%	22.4%
Naguabo Municipio, PR	36.8%	30.9%	29.8%	28.5%	23.2%	14.9%
Naranjito Municipio, PR	28.4%	37.0%	21.7%	30.1%	20.5%	19.2%
Orocovis Municipio, PR	15.5%	21.3%	13.2%	43.3%	20.2%	18.9%
Río Grande Municipio, PR	38.1%	42.6%	32.6%	44.4%	30.9%	24.5%
San Juan Municipio, PR	42.3%	54.5%	37.4%	46.5%	44.2%	28.4%
San Lorenzo Municipio, PR	40.3%	50.4%	34.7%	34.8%	17.7%	18.2%
Toa Alta Municipio, PR	45.9%	39.2%	32.0%	42.2%	29.6%	27.1%
Toa Baja Municipio, PR	32.1%	45.7%	26.4%	45.1%	32.3%	25.8%
Trujillo Alto Municipio, PR	31.7%	31.1%	22.6%	41.1%	36.0%	25.8%
Vega Alta Municipio, PR	29.0%	35.4%	28.2%	42.2%	22.7%	24.7%
Vega Baja Municipio, PR	22.8%	40.7%	20.9%	34.4%	28.2%	24.0%
Yabucoa Municipio, PR	29.4%	18.3%	22.5%	33.5%	27.8%	20.5%
Puerto Rico	35.1%	41.4%	29.5%	41.0%	28.8%	23.3%
<i>Cost Burden is housing cost that equals 30 percent or more of household income</i>						
<i>Source: U.S. Department of Housing and Urban Development (HUD), 2013-2017 Comprehensive Housing Affordability Strategy</i>						

Labor, Employment and Economic Characteristics

According to D&B data, there were 8,793 businesses operating in the assessment area in 2019, of which 4.5% were located in low-income census tracts and 22.9% were located in moderate-income tracts. Of the total businesses operating in the assessment area, 73.4% were small businesses with a GAR of \$1 million or less, of which 4.2% were located in low-income geographies and 22.7% were located in moderate-income geographies.

In 2020, there were 11,186 businesses operating in the assessment area, of which 4.6% were located in low-income census tracts and 23.0% were located in moderate-income tracts. Of the total businesses operating

in the assessment area, 77.7% were small businesses with a GAR of \$1 million or less, of which 4.4% were located in low-income geographies and 22.8% were located in moderate-income geographies.

According to the U.S. Bureau of Labor Statistics, unemployment in the assessment area was 10.0% in 2016, decreased to 9.0% in 2017, decreased to 7.8% in 2018, decreased to 6.9% in 2019, increased to 8.4% in 2020, and decreased to 7.3% in 2021. Puerto Rico had an unemployment rate of 11.8% in 2016, decreased to 10.8% in 2017, decreased to 9.2% in 2018, decreased to 8.3% in 2019, increased to 8.9% in 2020, and decreased to 7.8% in 2021.

MSA 41980 (San Juan-Bayamón-Caguas, PR) - Unemployment Rates						
Area	2016	2017	2018	2019	2020	2021
MSA 41980 AA	10.0%	9.0%	7.8%	6.9%	8.4%	7.3%
Aguas Buenas Municipio, PR	14.3%	12.5%	10.1%	9.2%	10.1%	8.8%
Aibonito Municipio, PR	14.9%	14.2%	11.9%	10.4%	9.4%	8.5%
Barceloneta Municipio, PR	14.1%	14.0%	11.8%	11.3%	11.1%	9.6%
Barranquitas Municipio, PR	12.8%	11.4%	10.2%	8.6%	10.0%	8.6%
Bayamón Municipio, PR	9.0%	7.7%	6.8%	6.3%	8.8%	7.6%
Caguas Municipio, PR	10.3%	9.1%	7.8%	6.8%	8.0%	6.8%
Canóvanas Municipio, PR	11.5%	9.7%	7.9%	6.6%	8.6%	7.5%
Carolina Municipio, PR	8.6%	7.8%	6.8%	5.9%	8.5%	7.3%
Cataño Municipio, PR	10.0%	9.1%	8.0%	7.2%	9.8%	8.2%
Cayey Municipio, PR	10.7%	10.1%	7.7%	7.0%	7.3%	6.1%
Ceiba Municipio, PR	13.1%	13.5%	13.6%	10.5%	9.8%	8.7%
Ciales Municipio, PR	16.1%	16.1%	12.5%	11.1%	12.6%	11.7%
Cidra Municipio, PR	10.2%	8.4%	7.6%	6.8%	6.4%	5.5%
Comerío Municipio, PR	13.5%	11.8%	10.3%	8.9%	10.4%	9.5%
Corozal Municipio, PR	12.3%	11.3%	9.4%	9.1%	11.8%	10.3%
Dorado Municipio, PR	8.1%	6.9%	5.8%	5.7%	7.3%	6.1%
Fajardo Municipio, PR	13.8%	13.3%	14.1%	10.8%	10.6%	9.2%
Florida Municipio, PR	14.5%	14.3%	11.9%	10.9%	11.8%	10.4%
Guaynabo Municipio, PR	6.0%	5.3%	4.4%	4.1%	5.6%	4.7%
Gurabo Municipio, PR	8.5%	7.3%	6.4%	5.7%	6.1%	5.2%
Humacao Municipio, PR	14.1%	14.0%	11.6%	10.1%	8.8%	7.9%
Juncos Municipio, PR	13.2%	11.5%	9.5%	8.3%	9.1%	7.9%
Las Piedras Municipio, PR	13.5%	12.0%	9.7%	8.9%	8.7%	7.5%

Loíza Municipio, PR	11.3%	9.6%	8.3%	7.7%	9.8%	9.0%
Luquillo Municipio, PR	14.2%	12.8%	13.5%	9.5%	10.5%	9.1%
Manatí Municipio, PR	11.6%	10.6%	8.6%	8.0%	8.6%	7.7%
Maunabo Municipio, PR	18.3%	17.3%	15.2%	15.1%	11.4%	11.6%
Morovis Municipio, PR	13.4%	12.4%	9.7%	9.1%	10.7%	9.3%
Naguabo Municipio, PR	12.3%	11.1%	11.1%	8.8%	8.3%	7.3%
Naranjito Municipio, PR	13.0%	11.8%	9.8%	8.4%	12.3%	10.5%
Orocovis Municipio, PR	15.5%	14.3%	12.3%	10.2%	12.5%	11.1%
Río Grande Municipio, PR	10.5%	9.7%	9.2%	7.3%	9.5%	8.5%
San Juan Municipio, PR	7.9%	7.0%	6.2%	5.6%	8.0%	6.6%
San Lorenzo Municipio, PR	12.5%	12.8%	10.1%	8.8%	8.8%	7.5%
Toa Alta Municipio, PR	8.3%	7.7%	6.3%	5.6%	7.3%	6.3%
Toa Baja Municipio, PR	9.0%	8.1%	6.6%	5.8%	7.9%	6.8%
Trujillo Alto Municipio, PR	7.2%	5.9%	5.2%	4.9%	6.4%	5.7%
Vega Alta Municipio, PR	11.5%	10.7%	8.8%	8.1%	10.5%	9.4%
Vega Baja Municipio, PR	13.9%	12.4%	10.4%	9.6%	11.6%	10.1%
Yabucoa Municipio, PR	16.9%	16.5%	14.3%	13.1%	10.9%	10.7%
Puerto Rico	11.8%	10.8%	9.2%	8.3%	8.9%	7.8%
<i>Source: Bureau of Labor Statistics (BLS), Local Area Unemployment Statistics</i>						

The subsequent table provides a summary of the Assessment Area Demographics for MSA 41980 (San Juan-Bayamón-Caguas, PR).

MSA 41980 (San Juan-Bayamón-Caguas, PR) - Combined Demographics Report

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	30	5.0	20,516	3.7	15,211	74.1	147,903	26.5
Moderate-income	160	26.8	143,841	25.8	75,826	52.7	83,688	15.0
Middle-income	215	36.0	226,244	40.5	85,298	37.7	87,907	15.7
Upper-income	154	25.8	166,756	29.9	34,207	20.5	239,102	42.8
Unknown-income	39	6.5	1,243	0.2	814	65.5	0	0.0
Total Assessment Area	598	100.0	558,600	100.0	211,356	37.8	558,600	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	38,616	9,762	1.8	25.3	21,545	55.8	7,309	18.9
Moderate-income	258,726	134,114	24.4	51.8	70,225	27.1	54,387	21.0
Middle-income	386,746	225,949	41.2	58.4	91,178	23.6	69,619	18.0
Upper-income	295,277	178,714	32.6	60.5	60,765	20.6	55,798	18.9
Unknown-income	3,789	433	0.1	11.4	1,557	41.1	1,799	47.5
Total Assessment Area	983,154	548,972	100.0	55.8	245,270	24.9	188,912	19.2
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	516	4.6	382	4.4	122	5.2	12	8.1
Moderate-income	2,568	23.0	1,980	22.8	558	23.8	30	20.3
Middle-income	2,630	23.5	2,119	24.4	487	20.7	24	16.2
Upper-income	5,323	47.6	4,106	47.2	1,139	48.5	78	52.7
Unknown-income	149	1.3	103	1.2	42	1.8	4	2.7
Total Assessment Area	11,186	100.0	8,690	100.0	2,348	100.0	148	100.0
Percentage of Total Businesses:				77.7		21.0		1.3
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	3	2.6	3	2.7	0	0.0	0	0.0
Moderate-income	51	43.6	47	42.3	4	66.7	0	0.0
Middle-income	35	29.9	34	30.6	1	16.7	0	0.0
Upper-income	28	23.9	27	24.3	1	16.7	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	117	100.0	111	100.0	6	100.0	0	0.0
Percentage of Total Farms:				94.9		5.1		0.0

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

BPPR lending levels reflected good responsiveness to assessment area credit needs and a substantial majority of loans were made in the bank's AA. The geographic distribution of loans reflected adequate penetration throughout the AA while the distribution of borrowers reflected, given the product lines offered, adequate penetration among customers of different income levels and businesses of different sizes. The bank exhibited an adequate record of serving the credit needs of low-income individuals and areas and very small businesses. The bank made a relatively high level of CD loans and the bank made use of innovative and/or flexible lending practices in serving AA credit needs.

Lending Activity

BPPR's lending activity demonstrated good responsiveness to the retail credit needs of the MSA 41980 (San Juan-Bayamón-Caguas, PR). During the evaluation period, BPPR originated 5,966 home purchase, 1,664 refinance, 95 home improvement, 30,965 small business loans, and 475 small farm loans in the assessment area. BPPR ranked first in deposit market share throughout the evaluation period while lending market shares were lower. BPPR ranked first in deposit market share throughout the evaluation period. In 2020, BPPR ranked first in HMDA lending out of 54 reporting institutions and ranked first in small business and small farm lending out of 65 CRA reporting institutions.

Volume trends during the evaluation period indicate an annualized increase of 41.5% in total lending while HMDA lending increased by 23.7% and small business lending increased 51.1% in the assessment area. BPPR's total loan volume trend was comparable to the aggregate over the same period while BPPR exceeded the aggregate with more HMDA lending growth but was below the aggregate in small business lending growth in the assessment area.

Geographic Distribution of Loans

BPPR's overall geographic distribution of HMDA-related and small business loans reflected adequate penetration throughout the MSA 41980 (San Juan-Bayamón-Caguas, PR) assessment area based on adequate penetration in LMI tracts for home purchase lending and refinance lending and good penetration for home improvement lending, small business lending, and small farm lending.

Opportunities for HMDA lending in low-income census tracts were impacted by a poverty rate of 37.8% based on the 2015 ACS.

Gap Analysis

In each year, the bank's penetration rate in LMI census tracts exceeded 72.0%. The following is a summary of the analysis of lending gaps in the assessment area.

Lending Gap Analysis - MSA 41980 (San Juan-Bayamón-Caguas, PR)			
Tract Income Levels	Number of Tracts	Tracts with no Loans	Penetration
2019			
Low	30	8	73%
Moderate	160	7	96%
Middle	215	0	100%
Upper	154	0	100%
Income Unknown	39	30	23%
2020			
Low	30	3	90%
Moderate	160	0	100%
Middle	215	0	100%
Upper	154	0	100%
Income Unknown	39	25	36%

Home Purchase Loans

The geographic distribution of home purchase loans was adequate based on adequate penetration in both low- and moderate-income geographies in the assessment area. In 2020, the bank made 0.6% by number and 0.3% by dollar of its home purchase loans in low-income census tracts. Home purchase lending performance in low-income census tracts was below the demographic of 1.8% of owner-occupied housing units located in low-income census tracts and below the aggregate lending of 1.6% by number and 1.1% by dollar in low-income census tracts. In 2020, the bank made 13.2% of home purchase loans by number and 9.2% by dollar in moderate-income census tracts. The bank's home purchase lending performance was below the demographic of 24.4% of owner-occupied housing units located in moderate-income census tracts and was slightly below the aggregate lending of 16.5% by number and 12.8% by dollar of home purchase loans in moderate-income census tracts.

In 2019, the bank made 1.0% by number and 0.5% by dollar of its home purchase loans in low-income census tracts. Home purchase lending performance in low-income census tracts was below the demographic of 1.8% of owner-occupied housing units located in low-income census tracts and below the aggregate lending of 1.7% by number and 1.2% by dollar in low-income census tracts. In 2019, the bank made 12.7% of home purchase loans by number and 9.6% by dollar in moderate-income census tracts. The bank's home purchase lending performance was below the demographic of 24.4% of owner-occupied housing units located in moderate-income census tracts and was slightly below the aggregate lending of 14.5% by number and 11.2% by dollar of home purchase loans in moderate-income census tracts.

Refinance Loans

The geographic distribution of refinance loans was adequate based on adequate penetration in both low- and moderate-income geographies in the assessment area. In 2020, the bank made 0.3% by number and

0.1% by dollar of refinance loans in low-income census tracts. The bank's refinance lending performance in low-income census tracts was significantly below the demographic of 1.8% of owner-occupied housing units located in low-income census tracts and below the aggregate lending of 0.8% by number and 0.4% by dollar of refinance loans in low-income census tracts. In 2020, the bank made 9.0% by number and 7.4% by dollar of refinance loans in moderate-income census tracts. BPPR's refinance lending performance in moderate-income census tracts was significantly below the demographic of 24.4% of owner-occupied housing units located in moderate-income census tracts and below the aggregate lending of 12.1% by number and 9.4% by dollar of refinance loans in moderate-income census tracts.

In 2019, the bank made 1.1% by number and 0.5% by dollar of refinance loans in low-income census tracts. The bank's refinance lending performance in low-income census tracts was below the demographic of 1.8% of owner-occupied housing units located in low-income census tracts and comparable to the aggregate lending of 1.2% by number and 0.8% by dollar of refinance loans in low-income census tracts. In 2019, the bank made 12.3% by number and 13.9% by dollar of refinance loans in moderate-income census tracts. BPPR's refinance lending performance in moderate-income census tracts was significantly below the demographic of 24.4% of owner-occupied housing units located in moderate-income census tracts and below the aggregate lending of 15.7% by number and 14.0% by dollar of refinance loans in moderate-income census tracts.

Home Improvement Loans

The geographic distribution of home improvement loans was good based on good penetration in both low- and moderate-income geographies in the assessment area. In 2020, the bank made 3.6% by number and 2.5% by dollar of home improvement loans in low-income census tracts. The bank's home improvement lending performance in low-income census tracts exceeded the demographic of 1.8% of owner-occupied housing units located in low-income census tracts and above the aggregate lending of 2.8% by number and 2.0% by dollar of home improvement loans in low-income census tracts. In 2020, the bank made 16.1% by number and 12.5% by dollar of home improvement loans in moderate-income census tracts. BPPR's home improvement lending performance in moderate-income census tracts was below the demographic of 24.4% of owner-occupied housing units located in moderate-income census tracts and slightly above the aggregate lending of 13.9% by number and 10.8% by dollar of home improvement loans in moderate-income census tracts.

In 2019, the bank made no home improvement loans in low-income census tracts. The bank's home improvement lending performance in low-income census tracts was significantly below the 1.8% of owner-occupied housing units located in low-income census tracts and comparable to the aggregate, which did not make any home improvement loans in low-income census tracts. In 2019, the bank made 38.5% by number and 35.2% by dollar of home improvement loans in moderate-income census tracts. BPPR's home improvement lending performance in moderate-income census tracts exceeded the demographic of 24.4% of owner-occupied housing units located in moderate-income census tracts and exceeded the aggregate lending of 29.6% by number and 24.7% by dollar of home improvement loans in moderate-income census tracts.

Small Business Loans

The geographic distribution of small business loans was good based on based on good penetration in both low- and moderate-income geographies in the assessment area. In 2020, the bank made 3.5% by number and 4.0% by dollar of small business loans in low-income census tracts. The bank's small business lending performance in low-income census tracts was slightly below the 4.6% of businesses located in low-income census tracts and exceeded the aggregate lending, which made 3.2% by number and 3.6% by dollar of small business loans in low-income census tracts. In 2020, the bank made 18.3% by number and 17.9% by dollar of small business loans in moderate-income census tracts. BPPR's small business lending performance in moderate-income census tracts was below the 23.0% of businesses located in moderate-income census tracts and comparable to the aggregate lending, which made 16.9% by number and 17.5% by dollar of small business loans in moderate-income census tracts.

In 2019, the bank made 4.6% by number and 4.2% by dollar of small business loans in low-income census tracts. The bank's small business lending performance in low-income census tracts was comparable to the 4.6% of businesses located in low-income census tracts and exceeded the aggregate lending, which made 3.3% by number and 3.4% by dollar of small business loans in low-income census tracts. In 2019, the bank made 20.9% by number and 19.9% by dollar of small business loans in moderate-income census tracts. BPPR's small business lending performance in moderate-income census tracts was comparable to the 23.0% of businesses located in moderate-income census tracts and exceeded the aggregate lending, which made 16.4% by number and 17.6% by dollar of small business loans in moderate-income census tracts.

Small Farm Loans

The geographic distribution of small farm loans was good based on good penetration in both low- and moderate-income geographies in the assessment area. In 2020, the bank made 1.7% by number and 4.0% by dollar of small farm loans in low-income census tracts. The bank's small farm lending performance in low-income census tracts was below the 2.6% of farms located in low-income census tracts and comparable to the aggregate lending, which made 1.7% by number and 3.9% by dollar of small farm loans in low-income census tracts. In 2020, the bank made 25.2% by number and 18.1% by dollar of small farm loans in moderate-income census tracts. BPPR's small farm lending performance in moderate-income census tracts was significantly below the 43.6% of farms located in moderate-income census tracts and comparable to the aggregate lending, which made 25.3% by number and 20.3% by dollar of small farm loans in moderate-income census tracts.

In 2019, the bank made 1.9% by number and 0.8% by dollar of small farm loans in low-income census tracts. The bank's small farm lending performance in low-income census tracts was below the 2.6% of farms located in low-income census tracts and exceeded the aggregate lending, which made 1.8% by number and 0.7% by dollar of small farm loans in low-income census tracts. In 2019, the bank made 31.5% by number and 11.2% by dollar of small farm loans in moderate-income census tracts. BPPR's small farm lending performance in moderate-income census tracts was below the 43.6% of farms located in moderate-income census tracts but below the aggregate lending, which made 35.1% by number and 14.9% by dollar of small farm loans in moderate-income census tracts.

Lending to Borrowers of Different Incomes and to Businesses of Different Sizes

The distribution of borrowers reflected, given the product lines offered, adequate penetration among customers of different income levels and businesses of different sizes. This conclusion is based on adequate distribution of home purchase, refinance, and home improvement loans to LMI borrowers, good distribution to small businesses, and adequate distribution to small farms.

Home Purchase Loans

Overall distribution of home purchase loans to borrowers of different income levels was adequate based on adequate penetration among low-income customers and poor penetration among moderate-income customers in the assessment area. In 2020, the bank made 0.3% by number and 0.1% by dollar to low-income borrowers and was significantly below the demographic of 26.5% of low-income families in the assessment area. Performance was below the aggregate lending, which made 0.5% by number and 0.2% by dollar to low-income families. The bank's lending to moderate-income borrowers was 2.2% by number and 0.9% by dollar, which was significantly below the aggregate lending performance of 7.7% by number, significantly below 4.0% by dollar, and significantly below the demographic of 15.0% of moderate-income families in the assessment area.

In 2019, the bank made 0.5% by number and 0.1% by dollar of home purchase loans to low-income borrowers and was significantly below the demographic of 26.5% of low-income families in the assessment area. Performance was below the aggregate lending, which made 0.8% by number and 0.3% by dollar to low-income families. The bank's lending to moderate-income borrowers was 2.8% by number and 1.3% by dollar, which was significantly below the aggregate lending performance of 7.5% by number, significantly below 3.9% by dollar, and significantly below the demographic of 15.0% of moderate-income families in the assessment area.

Refinance Loans

Overall distribution of refinance loans to borrowers of different income levels was adequate based on adequate penetration among low-income customers and adequate penetration among moderate-income customers in the assessment area. In 2020, the bank's lending to low-income borrowers was 0.4% by number and 0.1% by dollar and was below the aggregate lending, which made 0.6% by number and 0.2% by dollar. The bank's performance was significantly below the demographic of 26.5% of low-income families in the assessment area. The bank's 2020 lending to moderate-income borrowers, 2.2% by number and 0.9% by dollar, was below the aggregate lending, which made 4.3% by number and 2.0% by dollar, and significantly below the demographic of 15.0% of moderate-income families in the assessment area.

In 2019, the bank's refinance lending to low-income borrowers was 1.9% by number and 0.7% by dollar and was below the aggregate lending, which made 3.4% by number and 1.7% by dollar. The bank's performance was significantly below the demographic of 26.5% of low-income families in the assessment area. The bank's lending to moderate-income borrowers, 7.0% by number and 3.4% by dollar, was below the aggregate lending, 9.5% by number and 5.5% by dollar, and significantly below the demographic of 15.0% of moderate-income families in the assessment area.

Home Improvement Loans

Overall distribution of home improvement loans to borrowers of different income levels was adequate based on adequate penetration among low-income customers and adequate penetration among moderate-income customers in the assessment area. In 2020, the bank's lending to low-income borrowers, 1.8% by number and 0.3% by dollar, exceeded the aggregate lending which made 1.4% by number and comparable to the aggregate lending of 0.3% by dollar. The bank's performance was significantly below the demographic of 26.5% of low-income families in the assessment area. The bank's lending to moderate-income borrowers, 1.8% by number and 0.8% by dollar, was significantly below the demographic of 15.0% of moderate-income families in the assessment area and comparable to the aggregate lending, which made 1.4% by number and 0.6% by dollar.

In 2019, the bank's home improvement lending to low-income borrowers was 7.7% by number and 5.2% by dollar and was above the aggregate lending, which made 4.2% by number and 2.8% by dollar. The bank's performance was significantly below the demographic of 26.5% of low-income families in the assessment area. The bank's lending to moderate-income borrowers, 15.4% by number and 10.3% by dollar, was comparable to the aggregate lending which made 15.5% by number and 12.0% by dollar, and comparable to the demographic of 15.0% of moderate-income families in the assessment area.

Small Business Loans

Overall, the distribution of small business loans to businesses of different sizes was good based on good penetration among small businesses in the assessment area. In 2020, the bank originated 35.1% of loans by number and 29.0% by dollar to businesses with gross annual revenues of \$1 million or less. The bank's lending to small businesses was slightly above the aggregate lending, which made 30.0% by number and 23.1% by dollar, and was significantly below the demographic of 77.7% of businesses in the assessment area with gross annual revenues of \$1 million or less. The bank also originated 91.1% of loans to assessment area businesses in amounts of \$100,000 or less, which are typically considered more responsive to the credit needs of very small businesses.

In 2019, the bank originated 68.5% of loans by number and 42.8% by dollar to businesses with gross annual revenues of \$1 million or less. The bank's lending to small businesses was slightly above the aggregate, which made 55.6% by number and 37.6% by dollar, and was slightly below the demographic of 73.4% of businesses in the assessment area with gross annual revenues of \$1 million or less. The bank also originated 82.8% of loans to assessment area businesses in amounts of \$100,000 or less, which are typically considered more responsive to the credit needs of very small businesses.

Small Farm Loans

Overall, the distribution of small farm loans to farms of different sizes was adequate based on adequate penetration among small farms in the assessment area. In 2020, the bank originated 25.9% of loans by number and 23.2% by dollar to farms with gross annual revenues of \$1 million or less. The bank's lending to small farms was slightly below to the aggregate lending, which made 26.2% by number and 25.2% by

dollar, and was significantly below the demographic of 94.9% of farms in the assessment area with gross annual revenues of \$1 million or less. The bank also originated 92.6% of loans to assessment area farms in amounts of \$100,000 or less, which are typically considered more responsive to the credit needs of very small businesses.

In 2019, the bank originated 66.7% of loans by number and 25.8% by dollar to farms with gross annual revenues of \$1 million or less. The bank's lending to small farms was comparable to the aggregate which made 66.7% by number but slightly below to the aggregate which made 28.1% by dollar and was significantly below the 94.9% of farms in the assessment area with gross annual revenues of \$1 million or less. The bank also originated 70.4% of loans to assessment area farms in amounts of \$100,000 or less, which are typically considered more responsive to the credit needs of very small businesses.

Community Development Lending

BPPR made a relatively high level of community development loans in the MSA 41980 (San Juan-Bayamón-Caguas, PR) assessment area. During the evaluation period, community development lending in MSA 41980 (San Juan-Bayamón-Caguas, PR) totaled 381 loans for approximately \$837.7 million, representing 79.2% of all BPPR's community development lending activity.

BPPR's CD lending was spread across community services, economic development, and revitalization and stabilization, as noted in the table.

The bank's annualized dollar amount of CD lending in MSA 41980 (San Juan-Bayamón-Caguas, PR) decreased by 27.2% from the prior exam. The bank ranked below two similarly-situated banks when comparing annualized community development loans to deposits within the MSA 41980 (San Juan-Bayamón-Caguas, PR) assessment area.

CD LOANS		
MSA 41980 (San Juan-Bayamón-Caguas, PR)		
PURPOSE	#	\$(000s)
Affordable Housing	4	\$13,301
Economic Development	31	\$141,419
Community Services	225	\$261,922
Revitalization and Stabilization	121	\$421,035
TOTAL	381	\$837,677

Examples of community development lending included the following:

- A \$35 million loan to partially finance the construction of a new mental health and recovery clinic in a moderate-income area.
- A \$6 million loan to fund construction and improvements on health services clinic located in a moderate-income geography.
- A \$10.3 million loan to fund construction of 160-unit affordable housing community in a low-income census tract.

INVESTMENT TEST

BPPR’s performance in MSA 41980 (San Juan-Bayamón-Caguas, PR) is based on the following summary. The bank made a significant level of qualified community development investments and grants, particularly those not routinely provided by private investors, and occasionally in a leadership position. The bank made significant use of innovative or complex investments to support community development initiatives and exhibited adequate responsiveness to credit and community development needs.

During the evaluation period, the bank made 306 CD investments and grants in the assessment area totaling \$13.3 million. Examiners took into account the fact that 92.4% of the bank’s investments were not limited to specific assessment areas and benefited all of Puerto Rico. This assessment area benefitted from the bank’s \$190.7 million in investments in the PCC and Popular Mezzanine Funds, as well as the bank’s investments in mortgage-backed security investments benefiting all of Puerto Rico. However, the bank ranked below two similarly-situated banks when comparing annualized community development loans to deposits within the MSA 41980 (San Juan-Bayamón-Caguas, PR) assessment area. Examples of qualified investments included:

CD INVESTMENTS		
MSA 41980 (San Juan-Bayamón-Caguas, PR)		
PURPOSE	#	\$(000s)
Affordable Housing	0	\$0
Economic Development	28	\$5,934
Community Services	263	\$6,591
Revitalization and Stabilization	15	\$745
TOTAL	306	\$13,270

- The bank donated \$5,800 to sponsor one low-income student's scholarship during the 2021-2022 academic period in the assessment area.
- The bank provided a \$420,000 grant to fund the construction of a multipurpose auditorium at a public higher learning institution, at which 80% of students are receiving financial aid.

SERVICE TEST

BPPR’s performance under the service test in MSA 41980 (San Juan-Bayamón-Caguas, PR) is based on delivery systems that were readily accessible to the bank’s geographies and individuals of different income levels in the assessment area, changes in branch locations did not adversely affect accessibility, services did not vary in a way that inconvenienced the needs of the assessment area, and hours and services were tailored to the convenience and needs of its assessment area. The bank provided a relatively high level of community development services within the assessment area.

Retail Services

BPPR's delivery systems were readily accessible to all geographies of the assessment area and individuals of different income levels. BPPR had 106 branches in the assessment area, of which 32, or 30.2%, were

located in low- or moderate-income census tracts. This compared favorably to the 30.4% of the assessment area’s households that resided in low- or moderate-income census tracts. Additionally, BPPR operated a total of 417 ATMs throughout the assessment area, of which 24.0% were located in LMI geographies. Of the 417 ATMs in the assessment area, 194 were located off-site, of which 39, or 20.1%, were located in LMI geographies.

BPPR’s record of opening and closings of branches in the assessment area did not adversely affect the accessibility of its delivery systems, particularly to low- and moderate-income geographies and low-and moderate-income individuals. During the evaluation period, BPPR opened one branch in the assessment area located in a low-income geography, relocated one branch located in a moderate-income geography, and consolidated three branches, one located in a middle-income geography and two located in upper-income geographies.

BPPR’s hours and services were tailored to the convenience and needs of the assessment area, particularly LMI geographies and/or LMI individuals. Of the 106 branches in the MSA 41980 (San Juan-Bayamón-Caguas, PR) assessment area, 62, or 58.5%, had Saturday, Sunday, or holiday hours. Of the bank’s 32 branches in LMI census tracts, 18, or 56.3%, had Saturday, Sunday, or holiday hours.

Community Development Services

BPPR provided a relatively high level of community development services within the assessment area. As presented in the table below, BPPR conducted 1,803 community service events in the assessment area. The services consisted of a wide variety of events related to the financial education of children and adults and providing small business technical assistance.

Bank officers and staff provided 697 technical assistance events to nonprofit organizations for economic development, community services and revitalization and stabilization. Additionally, several bank officers and staff served on the boards and committees of 162 community development organizations that provided on-going financial and management expertise and to organizations focused on low- and moderate-income individuals.

Examples of community development services include:

- Through BPPR’s StartUp program, the bank offered technical assistance such as Coaching, Accounting, Permits, Marketing, Digital Marketing, Legal and Human Resources to businesses and startups throughout San Juan and all of PR.
- An officer served as treasurer of a non-profit dedicated to researching alternatives for economic development in low-income communities.
- A bank employee served on the Advisory Board for the Housing and Human Development Trust - a collaborative alliance with Puerto Rico's banking industry, the Government, and non-profit

CD SERVICES	
MSA 41980 (San Juan-Bayamón-Caguas, PR)	
Board & Committee Memberships	162
Technical Assistance	697
Seminars and Other Services	944
Total	1,803

organizations to provide support with accessible and affordable housing for vulnerable and very low-income populations in Puerto Rico.

METROPOLITAN AREA

MSA 10380 (AGUADILLA-ISABELA, PR)

(FULL REVIEW)

DESCRIPTION OF INSTITUTION'S OPERATIONS

As of December 31, 2021, the bank operated 11 branches in the MSA 10380 (Aguadilla-Isabela, PR) assessment area. The bank operated two branches in low- and moderate-income tracts. The assessment area included two low-, 19 moderate-, 39 middle-, and 16 upper-income tracts, as well as five tracts with unknown incomes.

As of June 30, 2021, the bank ranked first out of three financial institutions in the assessment area with \$1.8 billion in deposits, representing a 69.2% market share. MSA 10380 holds 0.3% of the bank's deposits and the second largest share of the bank's total loans at 7.1%, as such the overall impact of this assessment area on the bank's rating is minimal. The primary competitors in the area included FirstBank and Oriental Bank.

PERFORMANCE CONTEXT

The following demographic and economic information were used to describe the assessment area and to evaluate the context in which BPPR operates. The information was obtained from publicly available sources, including the 2015 ACS, U.S. Department of Labor ("DOL"), D&B, FFIEC, and U.S. Department of Housing and Urban Development ("HUD").

Demographic Characteristics

The MSA 10380 assessment area included Agueda, Aguadilla, Añasco, Isabela, Lares, Moca, Rincón, San Sebastián, and Utuado counties. The assessment area was comprised of the entire MSA. According to the 2015 ACS, the population of the assessment area was 325,921. The assessment area consisted of 81 census tracts, of which 2 or 2.5% were low-income, 19 or 23.5% were moderate-income, 39 or 48.1% were middle-income, 16 or 19.8% were upper-income, and 5 or 6.2% were of unknown-income.

Income Characteristics

Based on the 2015 ACS data, the MSA 10380 assessment area had 80,862 families, of which 26.4% were low-income (49.8% of which were below the poverty level), 14.7% were moderate-income, 15.9% were middle-income, and 43.0% were upper-income.

The FFIEC median family incomes for the counties that comprised the MSA as of the 2015 ACS were as follows:

MSA 10380 (Aguadilla-Isabela, PR) - Median Family Income			
Area	2010 Median Family Income	2015 Median Family Income	Percent Change
MSA 10380 AA	\$17,458	\$18,267	4.63%
Aguada Municipio, PR	\$17,674	\$18,518	4.78%
Aguadilla Municipio, PR	\$18,545	\$20,659	11.40%
Añasco Municipio, PR	\$21,410	\$20,407	-4.68%
Isabela Municipio, PR	\$17,061	\$17,447	2.26%
Lares Municipio, PR	\$15,802	\$14,404	-8.85%
Moca Municipio, PR	\$16,980	\$17,533	3.26%
Rincón Municipio, PR	\$19,069	\$19,534	2.44%
San Sebastián Municipio, PR	\$15,644	\$16,887	7.95%
Utua Municipio, PR	\$17,748	\$18,930	6.66%
Puerto Rico	\$23,700	\$22,976	-3.05%
<i>Source: 2006 - 2010 U.S. Census Bureau American Community Survey; 2011 - 2015 U.S. Census Bureau American Community Survey</i> <i>*Median Family Incomes have been inflation-adjusted and are expressed in 2015 dollars.</i>			

Housing Characteristics

Based on the 2015 ACS data, the MSA 10380 assessment area had 145,862 housing units, of which 50.4% were owner-occupied, 25.3% were rental, and 24.3% were vacant. Of the total housing units, 1.6% were located in low-income tracts, 22.1% in moderate-income tracts, 55.6% in middle-income tracts, 20.7% in upper-income tracts, and 0% in unknown-income tracts. In low-income census tracts, 28.9% of housing units were owner-occupied, 37.7% were rental units, and 33.5% were vacant. In moderate-income census tracts, 44.0% of housing units were owner-occupied, 32.7% were rental units, and 23.3% were vacant.

The median age of housing stock in the assessment area was 34 years old, with 5.4% of the stock built before 1950. According to the 2015 ACS, the median housing value in the assessment area was \$106,961 with an affordability ratio of 14.6. The median gross rent in the assessment area was \$406 per month.

Geographic Area	2015 Median Housing Value	2015 Affordability Ratio	2015 Median Gross Rent
MSA 10380 AA	\$106,961	14.55	\$406
Aguada Municipio, PR	\$90,000	17.81	\$395
Aguadilla Municipio, PR	\$126,500	13.65	\$402

Añasco Municipio, PR	\$114,100	15.24	\$425
Isabela Municipio, PR	\$109,000	14.41	\$475
Lares Municipio, PR	\$91,000	13.08	\$384
Moca Municipio, PR	\$99,500	14.5	\$420
Rincón Municipio, PR	\$127,200	13.17	\$428
San Sebastián Municipio, PR	\$109,700	13.08	\$363
Utua Municipio, PR	\$95,100	16.54	\$391
Puerto Rico	\$120,500	16.06	\$456

Housing Cost Burden

According to HUD's Comprehensive Housing Affordability Strategy data, within the assessment area, 23.5% of all rental households had rental costs that exceeded 30% of their incomes, 29.1% of low-income rental households had rental costs that exceeded 30% of their income, and 34.4% of moderate-income rental households had rental costs that exceeded 30% of their income.

According to HUD's data, within the assessment area, 18.9% of homeowners had housing costs that exceeded 30% of their incomes, 36.9% of low-income homeowners had housing costs that exceeded 30% of their income, and 19.5% of moderate-income homeowners had housing costs that exceeded 30% of their income. See the "Housing Cost Burden" table below for more details.

MSA 10380 (Aguadilla-Isabela, PR) - Housing Cost Burden						
Area	Cost Burden - Renters			Cost Burden - Owners		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
MSA 10380 AA	29.1%	34.4%	23.5%	36.9%	19.5%	18.9%
Aguada Municipio, PR	26.3%	32.5%	22.5%	31.7%	16.7%	16.0%
Aguadilla Municipio, PR	32.4%	24.8%	24.8%	31.5%	22.1%	17.2%
Añasco Municipio, PR	32.9%	52.0%	30.1%	32.0%	17.4%	15.8%
Isabela Municipio, PR	29.6%	37.4%	25.4%	45.2%	21.8%	23.3%
Lares Municipio, PR	15.7%	30.2%	14.8%	33.3%	27.4%	18.6%
Moca Municipio, PR	35.6%	51.6%	28.4%	34.5%	21.5%	20.3%
Rincón Municipio, PR	16.8%	15.0%	17.4%	31.1%	12.5%	12.8%
San Sebastián Municipio, PR	31.8%	39.9%	23.8%	44.1%	14.9%	23.3%
Utua Municipio, PR	31.0%	25.6%	21.9%	43.3%	19.2%	19.1%
Puerto Rico	35.1%	41.4%	29.5%	41.0%	28.8%	23.3%
<i>Cost Burden is housing cost that equals 30 percent or more of household income</i>						
<i>Source: U.S. Department of Housing and Urban Development (HUD), 2013-2017 Comprehensive Housing Affordability Strategy</i>						

Labor, Employment and Economic Characteristics:

According to D&B data, there were 687 businesses operating in the assessment area in 2019, of which 9.6% were located in low-income census tracts and 10.2% were located in moderate-income tracts. Of the total businesses operating in the assessment area, 86.3% were small businesses with a gross annual revenue ("GAR") of \$1 million or less, of which 10.6% were located in low-income geographies and 9.4% were located in moderate-income geographies.

In 2020, there were 860 businesses operating in the assessment area, of which 9.8% were located in low-income census tracts and 9.7% were located in moderate-income tracts. Of the total businesses operating in the assessment area, 87.8% were small businesses with a GAR of \$1 million or less, of which 10.5% were located in low-income geographies and 9.3% were located in moderate-income geographies.

According to the U.S. Bureau of Labor Statistics, unemployment in the assessment area was 15.5% in 2016, decreased to 14.7% in 2017, decreased to 12.2% in 2018, decreased to 10.9% in 2019, decreased to 10.1% in 2020, and decreased to 8.9% in 2021. Puerto Rico had an unemployment rate of 11.8% in 2016, decreased to 10.8% in 2017, decreased to 9.2% in 2018, decreased to 8.3% in 2019, increased to 8.9% in 2020, and decreased to 7.8% in 2021.

MSA 10380 (Aguadilla-Isabela, PR) - Unemployment Rates						
Area	2016	2017	2018	2019	2020	2021
MSA 10380 AA	15.5%	14.7%	12.2%	10.9%	10.1%	8.9%
Aguada Municipio, PR	14.0%	12.9%	11.1%	10.1%	9.5%	8.4%
Aguadilla Municipio, PR	14.9%	14.5%	12.4%	10.3%	9.9%	8.7%
Añasco Municipio, PR	12.9%	12.5%	9.6%	8.4%	8.3%	7.6%
Isabela Municipio, PR	14.1%	13.4%	10.6%	9.0%	8.9%	7.6%
Lares Municipio, PR	19.3%	18.6%	16.2%	14.7%	12.6%	12.4%
Moca Municipio, PR	15.6%	14.7%	11.8%	10.5%	10.2%	8.7%
Rincón Municipio, PR	15.6%	15.3%	14.2%	13.7%	11.8%	8.7%
San Sebastián Municipio, PR	18.9%	17.7%	14.6%	13.6%	11.9%	10.6%
Utua Municipio, PR	15.5%	14.0%	11.6%	11.3%	9.8%	8.9%
Puerto Rico	11.8%	10.8%	9.2%	8.3%	8.9%	7.8%
<i>Source: Bureau of Labor Statistics (BLS), Local Area Unemployment Statistics</i>						

The subsequent table provides a summary of the Assessment Area Demographics for MSA 10380 (Aguadilla-Isabela, PR)

MSA 10380 - Combined Demographics Report

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	2	2.5	1,201	1.5	900	74.9	21,363	26.4
Moderate-income	19	23.5	17,562	21.7	10,822	61.6	11,853	14.7
Middle-income	39	48.1	44,605	55.2	21,909	49.1	12,875	15.9
Upper-income	16	19.8	17,494	21.6	6,626	37.9	34,771	43.0
Unknown-income	5	6.2	0	0.0	0	0.0	0	0.0
Total Assessment Area	81	100.0	80,862	100.0	40,257	49.8	80,862	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	2,268	655	0.9	28.9	854	37.7	759	33.5
Moderate-income	32,273	14,193	19.3	44.0	10,565	32.7	7,515	23.3
Middle-income	81,130	41,865	56.9	51.6	18,718	23.1	20,547	25.3
Upper-income	30,191	16,837	22.9	55.8	6,745	22.3	6,609	21.9
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	145,862	73,550	100.0	50.4	36,882	25.3	35,430	24.3
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	84	9.8	79	10.5	4	4.2	1	11.1
Moderate-income	83	9.7	70	9.3	12	12.5	1	11.1
Middle-income	406	47.2	359	47.5	42	43.8	5	55.6
Upper-income	287	33.4	247	32.7	38	39.6	2	22.2
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	860	100.0	755	100.0	96	100.0	9	100.0
Percentage of Total Businesses:				87.8		11.2		1.0
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	14	33.3	14	35.0	0	0.0	0	0.0
Moderate-income	1	2.4	1	2.5	0	0.0	0	0.0
Middle-income	16	38.1	15	37.5	1	50.0	0	0.0
Upper-income	11	26.2	10	25.0	1	50.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	42	100.0	40	100.0	2	100.0	0	0.0
Percentage of Total Farms:				95.2		4.8		0.0

2020 FFIEC Census Data and 2020 D&B Information

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

BPPR lending levels reflected good responsiveness to assessment area credit needs and a substantial majority of loans were made in the bank's AA. The geographic distribution of loans reflected good penetration throughout the AA, while the distribution of borrowers reflected, given the product lines offered, adequate penetration among customers of different income levels and businesses of different sizes. The bank exhibited an adequate record of serving the credit needs of low-income individuals and areas and very small businesses and farms. The bank made a relatively high level of CD loans and the bank made use of innovative and/or flexible lending practices in serving AA credit needs.

Lending Activity

BPPR's lending activity demonstrated good responsiveness to the retail credit needs of the MSA 10380 (Aquadilla-Isabela, PR). BPPR originated 430 home purchase, 123 refinance, 10 home improvement, 3,616 small business, and 177 small farm loans during the evaluation period in this assessment area. BPPR ranked first in deposit market share throughout the evaluation period. In 2020, BPPR ranked first in HMDA lending out of 39 reporting institutions and ranked first in small business and small farm lending out of 18 CRA reporting institutions.

BPPR's volume trends during the evaluation period indicated an annualized increase of 58.1% in total lending while HMDA lending decreased by 18.5%, small business lending increased by 109.9%, and small farm lending increased by 213.3% in the assessment area. BPPR's overall loan, HMDA, and small farm loan volumes reflected increases in lending in the assessment area than the aggregate over the same period.

Geographic Distribution of Loans

Banco Popular PR's overall geographic distribution of HMDA-related and small business loans reflected good penetration throughout the MSA 10380 (Aquadilla-Isabela, PR) assessment area based on good lending penetration in LMI geographies for home purchase, home improvement, small business, and small farm loans, and adequate lending penetration in LMI geographies for refinance loans.

Opportunities for HMDA lending in low-income census tracts were impacted by a poverty rate of 49.8% based on the 2015 ACS.

Gap Analysis

Banco Popular's responsiveness to meeting the needs of its community was evaluated through an analysis of gaps in lending in LMI census tracts. In each year, the bank's penetration rate in LMI census tracts were 100%. The following table is a summary of the analysis of lending gaps in the assessment area.

Lending Gap Analysis - MSA 10380 (Aguadilla-Isabela, PR)

Tract Income Levels	Number of Tracts	Tracts with no Loans	Penetration
2019			
Low	2	0	100%
Moderate	19	0	100%
Middle	39	0	100%
Upper	16	0	100%
Income Unknown	5	5	0%
2020			
Low	2	0	100%
Moderate	19	0	100%
Middle	39	0	100%
Upper	16	0	100%
Income Unknown	5	5	0%

Home Purchase Loans

The geographic distribution of home purchase loans was good based on adequate penetration in low-income geographies and good penetration in moderate-income geographies. In 2020, the bank made 0.5% by number and 0.2% by dollar of home purchase loans in low-income census tracts. Home purchase lending performance in low-income census tracts was below the demographic of 0.9% of owner-occupied housing units located in low-income census tracts and below the aggregate lending which made 1.1% by number and 0.5% by dollar in low-income census tracts. In 2020, the bank made 18.6% of home purchase loans by number and 14.8% by dollar in moderate-income census tracts. The bank's home purchase lending performance exceeded the demographic of 19.3% of owner-occupied housing units located in moderate-income census tracts and exceeded the aggregate lending which made 15.4% by number and 12.7% by dollar of home purchase loans in moderate-income census tracts.

In 2019, the bank made 0.4% by number and 0.2% by dollar of home purchase loans in low-income census tracts. Home purchase lending performance in low-income census tracts was significantly below the demographic of 0.9% of owner-occupied housing units located in low-income census tracts and slightly below the aggregate lending, which made 0.5% by number and 0.4% by dollar in low-income census tracts. In 2019, the bank made 12.1% of home purchase loans by number and 11.0% by dollar in moderate-income census tracts. The bank's home purchase lending performance was below the demographic of 19.3% of owner-occupied housing units located in moderate-income census tracts and was slightly below the aggregate lending which made 14.9% by number and 13.9% by dollar of home purchase loans in moderate-income census tracts.

Refinance Loans

The geographic distribution of refinance loans was adequate based on adequate penetration throughout both low- and moderate-income geographies in the assessment area. In 2020, the bank made 1.2% by number and 0.9% by dollar of refinance loans in low-income census tracts. The bank's refinance lending performance in low-income census tracts was comparable to the demographic of 0.9% of owner-occupied

housing units located in low-income census tracts and slightly below the aggregate lending which made 1.6% by number and 1.0% by dollar of refinance loans in low-income census tracts. In 2020, the bank made 12.3% by number and 11.1% by dollar of refinance loans in moderate-income census tracts. BPPR's refinance lending performance in moderate-income census tracts was below the demographic of 19.3% of owner-occupied housing units located in moderate-income census tracts and slightly below the aggregate lending which made 14.7% by number and 11.0% by dollar of refinance loans in moderate-income census tracts.

In 2019, the bank did not make any refinance loans in low-income census tracts. The bank's refinance lending performance in low-income census tracts was compared to the demographic of 0.9% of owner-occupied housing units located in low-income census tracts and the aggregate lending which made 0.9% by number and 1.3% by dollar of refinance loans in low-income census tracts. In 2019, the bank made 19.0% by number and 13.4% by dollar of refinance loans in moderate-income census tracts. BPPR's refinance lending performance in moderate-income census tracts was comparable to the 19.3% of owner-occupied housing units located in moderate-income census tracts and exceeded the aggregate lending which made 15.9% by number and 13.6% by dollar of refinance loans in moderate-income census tracts.

Home Improvement Loans

The geographic distribution of home improvement loans was good based on good penetration in moderate-income geographies in the assessment area. In 2020, the bank did not make any home improvement loans in low-income census tracts, compared to demographic of 0.9% of owner-occupied housing units located in low-income census tracts and this was comparable to the aggregate lending, which also did not make any home improvement loans in low-income census tracts. In 2020, the bank also did not make any home improvement loans in moderate-income census tracts, compared to the demographic of 19.3% of owner-occupied housing units located in moderate-income census tracts and this was comparable to the aggregate lending which again did not make any home improvement loans in moderate-income census tracts.

In 2019, the bank did not make any home improvement loans in low-income census tracts compared to demographic of 0.9% of owner-occupied housing units located in low-income census tracts and this was similar to the aggregate lending, which also did not make any home improvement loans in low-income census tracts. In 2019, the bank made 33.3% by number and 35.3% by dollar of home improvement loans in moderate-income census tracts. BPPR's home improvement lending performance in moderate-income census tracts exceeded the demographic of 19.3% of owner-occupied housing units located in moderate-income census tracts and comparable to the aggregate lending which made 30.0% by number and 35.0% by dollar of home improvement loans in moderate-income census tracts.

Small Business Loans

The geographic distribution of small business loans was good based on adequate penetration in low-income geographies and excellent penetration in moderate-income geographies throughout the assessment area. In 2020, the bank made 3.0% by number and 2.4% by dollar of small business loans in low-income census tracts. The bank's small business lending performance in low-income census tracts was significantly below the demographic of 9.8% of businesses located in low-income census tracts and comparable to the aggregate lending which made 3.1% by number and 2.3% by dollar of small business loans in low-income census tracts. In 2020, the bank made 18.2% by number and 19.5% by dollar of small business loans in moderate-

income census tracts. BPPR's small business lending performance in moderate-income census tracts exceeded the demographic of 9.7% of businesses located in moderate-income census tracts and comparable to the aggregate lending which made 17.4% by number and 19.1% by dollar of small business loans in moderate-income census tracts.

In 2019, the bank made 2.5% by number and 2.2% by dollar of small business loans in low-income census tracts. The bank's small business lending performance in low-income census tracts was below the demographic of 9.6% of businesses located in low-income census tracts and below the aggregate lending which made 3.3% by number and 2.4% by dollar of small business loans in low-income census tracts. In 2019, the bank made 19.3% by number and 21.5% by dollar of small business loans in moderate-income census tracts. BPPR's small business lending performance in moderate-income census tracts exceeded the demographic of 10.2% of businesses located in moderate-income census tracts and comparable to the aggregate lending which made 17.4% by number and 22.1% by dollar of small business loans in moderate-income census tracts.

Small Farm Loans

The geographic distribution of small farm loans was good based on good penetration in low-income geographies and excellent penetration in moderate-income geographies throughout the assessment area. In 2020, the bank made 8.8% by number and 27.6% by dollar of small farm loans in low-income census tracts. The bank's small farm lending performance in low-income census tracts was below the demographic of 33.3% of farms located in low-income census tracts and comparable to the aggregate lending which made 8.7% by number and 27.1% by dollar of small farm loans in low-income census tracts. In 2020, the bank made 27.7% by number and 39.2% by dollar of small farm loans in moderate-income census tracts. BPPR's small farm lending performance in moderate-income census tracts exceeded the demographic of 2.4% of farms located in moderate-income census tracts and comparable to the aggregate lending, which made 27.5% by number and 38.5% by dollar of small farm loans in moderate-income census tracts.

In 2019, the bank made 6.9% by number and 22.2% by dollar of small farm loans in low-income census tracts. The bank's small farm lending performance in low-income census tracts was below the demographic of 33.3% of farms located in low-income census tracts and comparable to the aggregate lending which made 6.3% by number and 16.0% by dollar of small farm loans in low-income census tracts. In 2019, the bank made 34.5% by number and 32.8% by dollar of small farm loans in moderate-income census tracts. BPPR's small farm lending performance in moderate-income census tracts exceeded the demographic of 2.4% of farms located in moderate-income census tracts and exceeded the aggregate lending, which made 31.3% by number and 23.7% by dollar of small farm loans in moderate-income census tracts.

Lending to Borrowers of Different Incomes and to Businesses of Different Sizes

The distribution of borrowers reflected, given the product lines offered, adequate penetration among customers of different income levels and businesses of different sizes. This conclusion is based on adequate distribution of home purchase, and home improvement loans to LMI borrowers, adequate distribution to small farms, and good distribution to small businesses and poor distribution of refinance loans.

Home Purchase Loans

The distribution of borrowers reflected, given the product lines offered, adequate penetration among low-income customers and adequate penetration among moderate-income customers for home purchase lending. In 2020, the bank made 0.5% by number and 0.1% by dollar to low-income borrowers which was significantly below the demographic of 26.4% of low-income families in the assessment area. Performance exceeded the aggregate lending which made 0.3% by number and comparable to the aggregate lending which made 0.1% by dollar to low-income families. The bank's home purchase lending to moderate-income borrowers was 2.5% by number and 1.4% by dollar, which was comparable to the aggregate lending which made 2.6% by number and 1.2% by dollar, and below the demographic of 14.7% moderate-income families in the assessment area.

In 2019, the bank did not make any loans to low-income borrowers. This was significantly below the demographic of 26.4% of low-income families in the assessment area and below the aggregate lending which made 0.1% by number and 0.1% by dollar to low-income families. The bank's lending to moderate-income borrowers was 2.2% by number and 1.1% by dollar, which was comparable to the aggregate performance of 2.3% by number and 1.1% by dollar, and significantly below the demographic of 14.7% moderate-income families in the assessment area.

Refinance Loans

The distribution of borrowers reflected, given the product lines offered, poor penetration among low-income customers and poor penetration among moderate-income customers for refinance lending. In 2020, the bank did not make any loans to low-income borrowers. This was below the aggregate lending which made 0.3% by number and less than that by dollar, and significantly below the demographic of 26.4% of low-income families in the assessment area. The bank also did not make any loans to moderate-income borrowers. This was significantly below the aggregate lending which made 4.1% by number and 1.9% by dollar, and below the demographic of 14.7% moderate-income families in the assessment area.

In 2019, the bank did not make any loans to low-income borrowers. This was below the aggregate lending which made 1.8% by number and 0.5% by dollar and below the demographic of 26.4% of low-income families in the assessment area. The bank's lending to moderate-income borrowers, 2.4% by number and 1.3% by dollar, was below the aggregate lending which made 5.9% by number and 2.7% by dollar, and below the demographic of 14.7% moderate-income families in the assessment area.

Home Improvement Loans

The distribution of borrowers reflected, given the product lines offered, adequate penetration among low-income customers and adequate penetration among moderate-income customers for home improvement lending. In 2020, the bank made no loans to low-income borrowers. This was comparable to the aggregate lending, which made zero loans to low-income borrowers, but below the demographic of 26.4% of low-income families in the assessment area. The bank made did not originate any home improvement loans to moderate-income borrowers. This was below the aggregate lending which made 6.3% by number and 2.1% by dollar, and below the demographic of moderate-income families in the assessment area at 14.7%.

In 2019, the bank's home improvement lending to low-income borrowers was 16.7% by number and 6.2% by dollar and exceeded the aggregate lending which made 10.0% by number and 3.9% by dollar. The bank's

performance was below the demographic of 26.4% of low-income families in the assessment area. The bank's lending to moderate-income borrowers, 16.7% by number and 11.2% by dollar, exceeded the aggregate lending which made 10.0% by number and 6.9% by dollar, and slightly above the demographic of moderate-income families in the assessment area at 14.7%.

Small Business Loans

Overall, the distribution of small business loans to businesses of different sizes was good based on good penetration among small businesses in the assessment area. In 2020, the bank originated 44.8% of loans by number and 37.4% by dollar to businesses with gross annual revenues of \$1 million or less. The bank's lending to small businesses exceeded the aggregate lending which made 39.4% by number and 33.6% by dollar and was below the demographic of 87.8% percentage of businesses in the assessment area with gross annual revenues of \$1 million or less. The bank also originated 92.7% of loans to assessment area businesses in amounts of \$100,000 or less, which are typically considered more responsive to the credit needs of very small businesses.

In 2019, the bank originated 74.9% of loans by number and 47.9% by dollar to businesses with gross annual revenues of \$1 million or less. The bank's lending to small businesses exceeded the aggregate lending which made 66.8% by number and comparable to the aggregate lending of 48.4% by dollar and was below the demographic of 86.3% percentage of businesses in the assessment area with gross annual revenues of \$1 million or less. The bank also originated 87.8% of loans to assessment area businesses in amounts of \$100,000 or less, which are typically considered more responsive to the credit needs of very small businesses.

Small Farm Loans

Overall, the distribution of small farm loans to farms of different sizes was adequate based on adequate penetration among small farms in the assessment area. In 2020, the bank originated 45.3% of loans by number and 58.7% by dollar to farms with gross annual revenues of \$1 million or less. The bank's lending to small farms was comparable to the aggregate lending which made 45.6% by number and 59.5% by dollar and was below the demographic of 95.2% of farms in the assessment area with gross annual revenues of \$1 million or less. The bank also originated 93.9% of loans to assessment area farms in amounts of \$100,000 or less, which are typically considered more responsive to the credit needs of very small businesses.

In 2019, the bank originated 82.8% of loans by number and 65.7% by dollar to farms with gross annual revenues of \$1 million or less. The bank's lending to small farms was below the aggregate lending which made 84.4% by number and 75.2% by dollar and was below the demographic of 95.2% of farms in the assessment area with gross annual revenues of \$1 million or less. The bank also originated 79.3% of loans to assessment area farms in amounts of \$100,000 or less, which are typically considered more responsive to the credit needs of very small businesses.

Community Development Lending

BPPR made a relatively high level of community development loans in the in MSA 10380 (Aguadilla-Isabela, PR) assessment area. During the evaluation period, the bank made 35 CD loans for approximately \$27.3 million, representing 2.6% of all BPPR’s community development lending activity.

BPPR’s CD lending volume by number primarily addressed community services. CD lending volume by dollar was primarily for revitalization and stabilization, as noted in the table.

CD LOANS		
MSA 10380 (Aguadilla-Isabela, PR)		
PURPOSE	#	\$(000s)
Affordable Housing	1	\$714
Economic Development	3	\$4,601
Community Services	24	\$3,425
Revitalization and Stabilization	7	\$18,536
TOTAL	35	\$27,276

The bank’s annualized dollar amount of CD lending in in MSA 10380 (Aguadilla-Isabela, PR) increased by 25.7% from the prior exam’s adequate level. However, the bank’s deposits in the assessment area also significantly increased. The bank ranked below one similarly situated bank when comparing annualized community development loans to deposits within the MSA 10380 (Aguadilla-Isabela, PR) assessment area.

Examples of community development lending included the following:

- A \$2.3 million SBA PPP loan to maintain operations and retain jobs at a medical facility in a moderate-income census tract.
- Two \$4.5 million loans to fund repairs of critical infrastructure destroyed in the recent natural disasters in the assessment area.

INVESTMENT TEST

BPPR’s performance in MSA 10380 (Aguadilla-Isabela, PR) is based on the following summary. The bank made an adequate level of qualified community development investments and grants, particularly those not routinely provided by private investors, and rarely in a leadership position. The bank made occasional use of innovative or complex investments to support community development initiatives and exhibited adequate responsiveness to credit and community development needs.

CD INVESTMENTS		
MSA 10380 (Aguadilla-Isabela, PR)		
PURPOSE	#	\$(000s)
Affordable Housing	0	\$0
Economic Development	0	\$0
Community Services	8	\$169
Revitalization and Stabilization	1	\$25
TOTAL	9	\$194

During the evaluation period, the bank made nine CD investments and grants in the assessment area totaling \$194,000. The bank’s annualized amount of CD investments in MSA 10380 (Aguadilla-Isabela, PR) decreased by 14.3% from the prior exam. Examiners took into account the fact that 92.4% of the bank’s investments were not limited to specific assessment areas but benefited all of Puerto Rico. This assessment area benefitted from the bank’s \$190.7 million in investments in the PCC and

Popular Mezzanine Funds, as well as the bank's investments in mortgage-backed security investments benefiting all of Puerto Rico. The bank ranked below two similarly situated banks when comparing annualized community development loans to deposits within the MSA 10380 (Aguadilla-Isabela, PR) assessment area. Examples of qualified investments included:

- A grant for \$25,000 to a community development organization that helps LMI youth in the assessment area.
- A \$20,000 grant to an organization that provides educational and social services to underserved children in the assessment area at no cost.

SERVICE TEST

BPPR's performance under the service test in MSA 10380 (Aguadilla-Isabela, PR) is based on delivery systems that were readily accessible to the bank's geographies and individuals of different income levels in the assessment area, changes in branch locations did not adversely affect accessibility, services did not vary in a way that inconvenienced the needs of the assessment area, and hours and services were tailored to the convenience and needs of its assessment area. The bank provided a relatively high level of community development services within the assessment area.

Retail Services

BPPR's delivery systems were readily accessible to all geographies of the assessment area and individuals of different income levels. BPPR had 11 branches in the assessment area, of which two, or 18.2%, were located in low- or moderate-income census tracts. This compared favorably to the 23.2% of the assessment area's households that resided in low- or moderate-income census tracts. BPPR operated a total of 50 ATMs throughout the assessment area, of which 16.0% were located in LMI geographies. Of the 50 ATMs in the assessment area, 24 were located off-site, of which three, or 12.5%, were located in LMI geographies.

BPPR's record of opening and closings of branches in the assessment area did not adversely affect the accessibility of its delivery systems, particularly to low- and moderate-income geographies and low- and moderate-income individuals. During the evaluation period, BPPR consolidated one branch located in a middle-income tract and relocated one branch located in an upper-income geography.

BPPR's hours and services were tailored to the convenience and needs of the assessment area, particularly LMI geographies and/or LMI individuals. Of the 11 branches in the MSA 10380 (Aguadilla-Isabela, PR) assessment area, all had Saturday, Sunday, or holiday hours. Of the bank's two branches in LMI census tracts, all had Saturday, Sunday, or holiday hours.

Community Development Services

BPPR provided a relatively high level of community development services within the assessment area. As presented in the table, BPPR conducted 151 community service events in the assessment area. The

services consisted of a wide variety of events related to the financial education of children and adults and providing small business technical assistance.

Examples of community development services include:

- A personal finance seminar by bank employees covering topics of financial education, financial planning, including family and finances and preparing for retirement.
- A bank employee offered a Seminar/Webinar through the Teach Children to Save Program on the topic of Financial Education and Savings.

CD SERVICES	
MSA 10380 (Aguadilla-Isabela, PR)	
Board & Committee Memberships	0
Technical Assistance	75
Seminars and Other Services	76
Total	151

METROPOLITAN AREA

MSA 38660 (PONCE, PR)

(FULL REVIEW)

DESCRIPTION OF INSTITUTION'S OPERATIONS

As of December 31, 2021, the bank operated ten branches in the MSA 38660 (Ponce, PR) assessment area. The bank operated one branch in low- and moderate-income tracts. The assessment area consisted of 71 total tracts, five low-, 20 moderate-, 22 middle-, and 20 upper-income tracts, as well as four tracts with unknown-incomes.

As of June 30, 2021, the bank ranked first out of three financial institutions in the assessment area, with approximately \$1.3 billion in deposits, representing a 49.7% market share. MSA 38660 holds the third largest share of the bank's total deposits and loans; however, at only 2.4% and 5.4%, respectively, the overall impact is minimal. Primary competitors in the area included FirstBank and Oriental Bank.

PERFORMANCE CONTEXT

The following demographic and economic information were used to describe the assessment area and to evaluate the context in which BPPR operates. The information was obtained from publicly available sources, including the 2015 ACS, U.S. Department of Labor ("DOL"), D&B, FFIEC, and U.S. Department of Housing and Urban Development ("HUD").

Demographic Characteristics

The MSA 38660 assessment area included Adjuntas, Juana Díaz, Ponce, and Villalba counties. The assessment area was comprised of the entire MSA. According to the 2015 ACS, the population of the assessment area was 248,960. The assessment area consisted of 71 census tracts, of which five or 7.0% were low-income, 20 or 28.2% were moderate-income, 22 or 31.0% were middle-income, 20 or 28.2% were upper-income, and four or 5.6% were of unknown-income.

Income Characteristics

Based on the 2015 ACS data, the MSA 38660 assessment area had 61,967 families, of which 28.7% were low-income (48.9% of which were below the poverty level), 12.8% were moderate-income, 15.2% were middle-income, and 43.3% were upper-income.

The FFIEC median family incomes for the counties that comprised the MSA as of the 2015 ACS were as follows:

MSA 38660 (Ponce, PR) - Median Family Income			
Area	2010 Median Family Income	2015 Median Family Income	Percent Change
MSA 38660 AA	\$20,272	\$19,514	-3.74%
Adjuntas Municipio, PR	\$15,903	\$12,848	-19.21%
Juana Díaz Municipio, PR	\$21,554	\$20,788	-3.55%
Ponce Municipio, PR	\$21,654	\$19,745	-8.82%
Villalba Municipio, PR	\$18,911	\$20,495	8.38%
Puerto Rico	\$23,700	\$22,976	-3.05%
<i>Source: 2006 - 2010 U.S. Census Bureau American Community Survey 2011 - 2015 U.S. Census Bureau American Community Survey Median Family Incomes have been inflation-adjusted and are expressed in 2015 dollars.</i>			

Housing Characteristics

Based on the 2015 ACS data, the MSA 38660 assessment area had 102,895 housing units, of which 56.8% were owner-occupied, 27.2% were rental, and 16.0% were vacant. Of the total housing units, 7.1% were located in low-income tracts, 24.7% in moderate-income tracts, 34.8% in middle-income tracts, 32.3% in upper-income tracts, and 1.1% in unknown-income tracts. In low-income census tracts, 31.1% of housing units were owner-occupied, 55.3% were rental units, and 13.6% were vacant. In moderate-income census tracts, 47.0% of housing units were owner-occupied, 30.9% were rental units, and 22.1% were vacant.

The median age of housing stock in the assessment area was 38 years old, with 7.4% of the stock built before 1950. According to the 2015 ACS, the median housing value in the assessment area was \$101,825 with an affordability ratio of 16.2. The median gross rent in the assessment area was \$382 per month.

Geographic Area	2015 Median Housing Value	2015 Affordability Ratio	2015 Median Gross Rent
MSA 38660 AA	\$101,825	16.16	\$382
Adjuntas Municipio, PR	\$103,000	10.19	\$361
Juana Díaz Municipio, PR	\$103,700	17.95	\$420
Ponce Municipio, PR	\$103,000	15.84	\$386
Villalba Municipio, PR	\$95,800	18.6	\$329
Puerto Rico	\$120,500	16.06	\$456

Housing Cost Burden

According to HUD's Comprehensive Housing Affordability Strategy data, within the assessment area, 23.4% of all rental households had rental costs that exceeded 30% of their incomes, 25.6% of low-income rental households had rental costs that exceeded 30% of their income, and 31.1% of moderate-income rental households had rental costs that exceeded 30% of their income.

According to HUD's data, within the assessment area, 20.6% of homeowners had housing costs that exceeded 30% of their incomes, 41.4% of low-income homeowners had housing costs that exceeded 30% of their income, and 22.7% of moderate-income homeowners had housing costs that exceeded 30% of their income. See the "Housing Cost Burden" table below for more details.

MSA 38660 (Ponce, PR)- Housing Cost Burden						
Area	Cost Burden - Renters			Cost Burden - Owners		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
MSA 38660 AA	25.6%	31.1%	23.4%	41.4%	22.7%	20.6%
Adjuntas Municipio, PR	27.4%	28.7%	22.1%	34.3%	18.3%	20.0%
Juana Díaz Municipio, PR	23.7%	28.9%	20.4%	45.7%	23.0%	19.7%
Ponce Municipio, PR	25.2%	34.4%	25.1%	42.6%	25.4%	22.3%
Villalba Municipio, PR	32.2%	13.0%	16.2%	32.4%	7.3%	12.8%
Puerto Rico	35.1%	41.4%	29.5%	41.0%	28.8%	23.3%
<i>Cost Burden is housing cost that equals 30 percent or more of household income</i>						
<i>Source: U.S. Department of Housing and Urban Development (HUD), 2013-2017 Comprehensive Housing Affordability Strategy</i>						

Labor, Employment and Economic Characteristics

According to D&B data, there were 607 businesses operating in the assessment area in 2019, of which 10.2% were located in low-income census tracts and 33.6% were located in moderate-income tracts. Of the total businesses operating in the assessment area, 78.7% were small businesses with a GAR of \$1 million or less, of which 9.8% were located in low-income geographies and 33.9% were located in moderate-income geographies.

In 2020, there were 760 businesses operating in the assessment area, of which 9.7% were located in low-income census tracts and 32.2% were located in moderate-income tracts. Of the total businesses operating in the assessment area, 82.6% were small businesses with a GAR of \$1 million or less, of which 9.2% were located in low-income geographies and 32.3% were located in moderate-income geographies.

According to the U.S. Bureau of Labor Statistics, unemployment in the assessment area was 14.5% in 2016, decreased to 12.9% in 2017, decreased to 10.8% in 2018, decreased to 10.7% in 2019, decreased to 9.4% in 2020, and decreased to 8.8% in 2021. Puerto Rico had an unemployment rate of 11.8% in 2016, decreased to 10.8% in 2017, decreased to 9.2% in 2018, decreased to 8.3% in 2019, increased to 8.9% in 2020, and decreased to 7.8% in 2021.

MSA 38660 (Ponce, PR) - Unemployment Rates						
Area	2016	2017	2018	2019	2020	2021
MSA 38660 AA	14.5%	12.9%	10.8%	10.7%	9.4%	8.8%
Adjuntas Municipio, PR	16.8%	15.1%	13.7%	15.3%	12.8%	13.0%
Juana Díaz Municipio, PR	14.5%	12.9%	10.5%	9.9%	8.1%	7.2%
Ponce Municipio, PR	13.4%	11.6%	9.8%	9.7%	9.0%	8.5%
Villalba Municipio, PR	20.2%	19.4%	15.8%	15.8%	12.1%	12.1%
Puerto Rico	11.8%	10.8%	9.2%	8.3%	8.9%	7.8%
<i>Source: Bureau of Labor Statistics (BLS), Local Area Unemployment Statistics</i>						

The subsequent table provides a summary of the Assessment Area Demographics for MSA 38660 (Ponce, PR):

MSA 38660 – Combined Demographics

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	5	7.0	4,342	7.0	3,408	78.5	17,778	28.7
Moderate-income	20	28.2	13,360	21.6	8,570	64.1	7,945	12.8
Middle-income	22	31.0	23,162	37.4	11,186	48.3	9,429	15.2
Upper-income	20	28.2	20,720	33.4	6,837	33.0	26,815	43.3
Unknown-income	4	5.6	383	0.6	279	72.8	0	0.0
Total Assessment Area	71	100.0	61,967	100.0	30,280	48.9	61,967	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied		Rental		Vacant		
		#	%	%	#	%	#	%
Low-income	7,297	2,271	3.9	31.1	4,037	55.3	989	13.6
Moderate-income	25,406	11,931	20.4	47.0	7,858	30.9	5,617	22.1
Middle-income	35,793	22,169	37.9	61.9	8,502	23.8	5,122	14.3
Upper-income	33,225	21,869	37.4	65.8	6,983	21.0	4,373	13.2
Unknown-income	1,174	249	0.4	21.2	572	48.7	353	30.1
Total Assessment Area	102,895	58,489	100.0	56.8	27,952	27.2	16,454	16.0

	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low-income	74	9.7	58	9.2	16	12.6	0	0.0
Moderate-income	245	32.2	203	32.3	39	30.7	3	60.0
Middle-income	183	24.1	148	23.6	34	26.8	1	20.0
Upper-income	228	30.0	193	30.7	34	26.8	1	20.0
Unknown-income	30	3.9	26	4.1	4	3.1	0	0.0
Total Assessment Area	760	100.0	628	100.0	127	100.0	5	100.0
	Percentage of Total Businesses:			82.6		16.7		0.7
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	4	30.8	4	33.3	0	0.0	0	0.0
Middle-income	3	23.1	3	25.0	0	0.0	0	0.0
Upper-income	6	46.2	5	41.7	1	100.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	13	100.0	12	100.0	1	100.0	0	0.0
	Percentage of Total Farms:			92.3		7.7		0.0

2020 FFIEC Census Data and 2020 D&B Information

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

BPPR lending levels reflected good responsiveness to assessment area credit needs and a substantial majority of loans were made in the bank's AA. The geographic distribution of loans reflected adequate penetration throughout the AA while the distribution of borrowers reflected, given the product lines offered, adequate penetration among customers of different income levels and businesses of different sizes. The bank exhibited an adequate record of serving the credit needs of low-income individuals and areas and very small businesses. The bank made an adequate level of CD loans and the bank made use of innovative and/or flexible lending practices in serving AA credit needs.

Lending Activity

BPPR's lending activity demonstrated good responsiveness to the retail credit needs of the MSA 38660 (Ponce, PR). During the evaluation period, BPPR originated 310 home purchase, 91 refinance, five home improvement, 2,540 small business, and 43 small farm loans in the assessment area. BPPR ranked first in deposit market share throughout the evaluation period. In 2020, BPPR ranked first in HMDA lending out

of 30 reporting institutions and ranked first in small business and small farm lending out of 23 CRA reporting institutions.

Volume trends during the evaluation period indicate an annualized increase of 30.4% in total lending while HMDA lending decreased by 16.3%, small business lending increased by 73.4%, and small farm lending increased by 38.7% in the assessment area. BPPR’s loan volume trend in the assessment area showed a greater increase in HMDA lending and CRA lending than the aggregate over the same period.

Geographic Distribution of Loans

Banco Popular PR's overall geographic distribution of HMDA-related, small business, and small farm loans was adequate based on adequate penetration in low- and moderate-income geographies throughout the MSA 38660 (Ponce, PR) assessment area. Lending penetration in LMI tracts was adequate for home purchase, home improvement, small business, and small farm loans, while lending penetration in LMI tracts was poor for refinance loans.

Gap Analysis

Banco Popular’s responsiveness to meeting the needs of its community was evaluated through an analysis of gaps in lending in LMI census tracts. In each year, the bank’s penetration rate in LMI census tracts exceeded 80.0%. The following table is a summary of the analysis of lending gaps in the assessment area.

Lending Gap Analysis - MSA 38660 (Ponce, PR)			
Tract Income Levels	Number of Tracts	Tracts with no Loans	Penetration
2019			
Low	5	0	100%
Moderate	20	3	85%
Middle	22	1	95%
Upper	20	0	100%
Income Unknown	4	3	25%
2020			
Low	5	0	100%
Moderate	20	0	100%
Middle	22	0	100%
Upper	20	0	100%
Income Unknown	4	3	25%

Home Purchase Loans

The geographic distribution of home purchase loans was adequate based on good penetration in low-income geographies and adequate penetration in moderate-income geographies in the assessment area. In 2020, the

bank made 2.2% by number and 0.8% by dollar of its home purchase loans in low-income census tracts. Home purchase lending performance in low-income census tracts was below the demographic of 3.9% of owner-occupied housing units located in low-income census tracts and below the aggregate lending which made 3.1% by number and 1.8% by dollar in low-income census tracts. In 2020, the bank made 6.5% of home purchase loans by number and 5.6% by dollar in moderate-income census tracts. The bank's home purchase lending performance was below the demographic of 20.4% of owner-occupied housing units located in moderate-income census tracts and was below the aggregate lending which made 10.0% by number and 7.8% by dollar of home purchase loans in moderate-income census tracts.

In 2019, the bank made 2.3% by number and 1.4% by dollar of its home purchase loans in low-income census tracts. Home purchase lending performance in low-income census tracts was below the demographic of 3.9% of owner-occupied housing units located in low-income census tracts and comparable to the aggregate lending which made 1.5% by number and 0.9% by dollar in low-income census tracts. In 2019, the bank made 9.9% of home purchase loans by number and 7.3% by dollar in moderate-income census tracts. The bank's home purchase lending performance was below the demographic of 20.4% of owner-occupied housing units located in moderate-income census tracts and was slightly below the aggregate lending which made 12.3% by number and 11.0% by dollar of home purchase loans in moderate-income census tracts.

Refinance Loans

The geographic distribution of refinance loans was poor based on poor penetration in both low- and moderate-income geographies in the assessment area. In 2020, the bank made 1.8% by number and 0.7% by dollar of refinance loans in low-income census tracts. The bank's refinance lending performance in low-income census tracts was below the demographic of 3.9% of owner-occupied housing units located in low-income census tracts and below the aggregate lending which made 3.0% by number and 4.1% by dollar of refinance loans in low-income census tracts. In 2020, the bank made 3.6% by number and 2.5% by dollar of refinance loans in moderate-income census tracts. BPPR's refinance lending performance in moderate-income census tracts was below the demographic of 20.4% of owner-occupied housing units located in moderate-income census tracts and below the aggregate lending which made 8.0% by number and 4.9% by dollar of refinance loans in moderate-income census tracts.

In 2019, the bank did not make any refinance loans in low-income census tracts. The bank's refinance lending performance in low-income census tracts was compared to the demographic of 3.9% of owner-occupied housing units located in low-income census tracts and the aggregate lending which made 0.7% by number and 0.6% by dollar of refinance loans in low-income census tracts. In 2019, the bank made 2.9% by number and 3.8% by dollar of refinance loans in moderate-income census tracts. BPPR's refinance lending performance in moderate-income census tracts was below the demographic of 20.4% of owner-occupied housing units located in moderate-income census tracts and significantly below the aggregate lending which made 12.1% by number and 20.7% by dollar of refinance loans in moderate-income census tracts.

Home Improvement Loans

The geographic distribution of home improvement loans was adequate based on adequate penetration in low-income geographies and poor penetration in moderate-income geographies in the assessment area. In 2020, the bank made one loan which represented 33.3% by number and 9.5% by dollar of home

improvement loans in low-income census tracts. The bank's home improvement lending performance in low-income census tracts was above the demographic of 3.9% of owner-occupied housing units located in low-income census tracts and comparable to the aggregate lending which made 25.0% by number and 7.0% by dollar of home improvement loans in low-income census tracts. In 2020, the bank did not make any home improvement loans in moderate-income census tracts. BPPR's home improvement lending performance in moderate-income census tracts was compared to the demographic of 20.4% of owner-occupied housing units located in moderate-income census tracts and the aggregate lending which made 25.0% by number and 25.8% by dollar of home improvement loans in moderate-income census tracts.

In 2019, the bank did not make any home improvement loans in low-income census tracts. The bank's home improvement lending performance in low-income census tracts was significantly below the demographic of 3.9% of owner-occupied housing units located in low-income census tracts, but comparable to the aggregate lending which also did not make any home improvement loans in low-income census tracts. In 2019, the bank did not make any home improvement loans in moderate-income census tracts. BPPR's home improvement lending performance in moderate-income census tracts was compared to the demographic of 20.4% of owner-occupied housing units located in moderate-income census tracts and the aggregate lending which also did not make any home improvement loans in moderate-income census tracts.

Small Business Loans

The geographic distribution of small business loans was adequate based on adequate penetration in both low- and moderate-income geographies in the assessment area. In 2020, the bank made 4.1% by number and 7.5% by dollar of small business loans in low-income census tracts. The bank's small business lending performance in low-income census tracts was below the demographic of 9.7% of businesses located in low-income census tracts and comparable to the aggregate lending, which made 4.6% by number and 6.1% by dollar of small business loans in low-income census tracts. In 2020, the bank made 19.6% by number and 18.8% by dollar of small business loans in moderate-income census tracts. BPPR's small business lending performance in moderate-income census tracts was below the demographic of 32.2% of businesses located in moderate-income census tracts and comparable to the aggregate lending which made 20.2% by number and 19.9% by dollar of small business loans in moderate-income census tracts.

In 2019, the bank made 5.2% by number and 8.2% by dollar of small business loans in low-income census tracts. The bank's small business lending performance in low-income census tracts was below the demographic of 10.2% of businesses located in low-income census tracts and below the aggregate lending, which made 6.2% by number and 9.6% by dollar of small business loans in low-income census tracts. In 2019, the bank made 21.9% by number and 22.6% by dollar of small business loans in moderate-income census tracts. BPPR's small business lending performance in moderate-income census tracts was below the demographic of 33.6% of businesses located in moderate-income census tracts and comparable to the aggregate lending which made 20.6% by number and 21.2% by dollar of small business loans in moderate-income census tracts.

Small Farm Loans

The geographic distribution of small farm loans was adequate based on adequate penetration in moderate-income geographies in the assessment area. In 2020, the bank did not make any small farm loans in low-income census tracts as there were no small farms in low-income census tracts. In 2020, the bank made 52.5% by number and 30.4% by dollar of small farm loans in moderate-income census tracts. BPPR's small

farm lending performance in moderate-income census tracts was above the demographic of 30.8% of farms located in moderate-income census tracts and comparable to the aggregate lending, which made 52.5% by number and 30.4% by dollar of small farm loans in moderate-income census tracts.

In 2019, the bank did not make any small farm loans in low-income census tracts as there were no small farms in low-income census tracts. In 2019, the bank did not make any small farm loans in moderate-income census tracts. BPPR's small farm lending performance in moderate-income census tracts was compared to the demographic of 30.8% of farms located in moderate-income census tracts and comparable to the aggregate, which also did not make any small farm loans in moderate-income census tracts.

Lending to Borrowers of Different Incomes and to Businesses of Different Sizes

The distribution of borrowers reflected, given the product lines offered, adequate penetration among customers of different income levels and businesses of different sizes. This conclusion is based on poor distribution of home purchase and home improvement loans, adequate distribution of refinance to LMI borrowers, adequate distribution to small farms, and good distribution to small businesses throughout the assessment area.

Home Purchase Loans

Overall distribution of home purchase loans to borrowers of different income levels was poor based on poor penetration among low-income customers and poor penetration among moderate-income customers for home purchase lending in the assessment area. In 2020, the bank did not make any loans to low-income borrowers. This was compared to the demographic of 28.7% of low-income families in the assessment area and the aggregate lending which made 0.2% by number and less than that by dollar to low-income families. The bank's lending to moderate-income borrowers was 1.4% by number and 1.0% by dollar, which was below the aggregate lending of 3.6% by number and 2.2% by dollar, and significantly below the demographic of 12.8% moderate-income families in the assessment area.

In 2019, the bank did not make any loans to low-income borrowers. This was compared to the demographic of 28.7% of low-income families in the assessment area and the aggregate lending which made 0.2% by number and 0.1% by dollar of home purchase loans to low-income families. The bank's lending to moderate-income borrowers was 4.7% by number and 3.0% by dollar, which was below the aggregate lending of 5.6% by number and 3.3% by dollar, and below the demographic of 12.8% moderate-income families in the assessment area.

Refinance Loans

Overall distribution of refinance loans to borrowers of different income levels was adequate based on adequate penetration among low-income customers and adequate penetration among moderate-income customers for refinance lending. In 2020, the bank did not make any loans to low-income borrowers. This was comparable to the aggregate lending which also did not make any refinance loans to low-income borrowers. The bank's performance was compared to the demographic of 28.7% of low-income families in the assessment area. The bank also did not make any loans to moderate-income borrowers. This was compared to the aggregate lending which made 3.8% by number and 2.1% by dollar, and the demographic of 12.8% moderate-income families in the assessment area.

In 2019, the bank did not make any loans to low-income borrowers. This was compared to the aggregate lending which made 0.7% by number and 0.3% by dollar and the demographic of 28.7% of low-income families in the assessment area. In 2019, the bank made 8.6% of refinance loans by number and 4.0% by dollar to moderate-income borrowers. The bank's performance exceeded the aggregate, which made 7.1% by number and 3.9% by dollar, and below the demographic of 12.8% moderate-income families in the assessment area.

Home Improvement loans

Overall distribution of home improvement loans to borrowers of different income levels was poor based on poor penetration among low-income customers and poor penetration among moderate-income customers for home improvement lending in the assessment area. The bank did not make any home improvement loans to low- or moderate-income borrowers during the review period. Similarly, the aggregate did not make any home improvement loans to low- or moderate-income borrowers during the same period of time. The bank's performance was compared to the demographic of 28.7% of low-income families and 12.8% of moderate-income families in the assessment area.

Small Business loans

Overall, the distribution of small business loans to businesses of different sizes was good based on good penetration among small businesses in the assessment area. In 2020, the bank originated 40.1% of loans by number and 37.2% by dollar to businesses with gross annual revenues of \$1 million or less. The bank's lending to small businesses exceeded the aggregate lending of 34.4% by number and 28.2% by dollar, and significantly below the demographic of 82.6% of businesses in the assessment area with gross annual revenues of \$1 million or less. The bank also originated 91.9% of loans to assessment area businesses in amounts of \$100,000 or less, which are typically considered more responsive to the credit needs of very small businesses.

In 2019, the bank originated 71.0% of loans by number and 53.1% by dollar to businesses with gross annual revenues of \$1 million or less. The bank's lending to small businesses exceeded the aggregate lending at 58.4% by number and 46.0% by dollar, and comparable to the demographic of 78.7% of businesses in the assessment area with gross annual revenues of \$1 million or less. The bank also originated 87.6% of loans to assessment area businesses in amounts of \$100,000 or less, which are typically considered more responsive to the credit needs of very small businesses.

Small Farm loans

Overall, the distribution of small farm loans to farms of different sizes was adequate based on adequate penetration among small farms in the assessment area. In 2020, the bank originated 20.0% of loans by number and 35.2% by dollar to farms with gross annual revenues of \$1 million or less. The bank's lending to small farms was comparable to the aggregate lending which made 20.0% of loans by number and 35.2% by dollar and was below the demographic of 92.3% of farms in the assessment area with gross annual revenues of \$1 million or less. The bank also originated 100.0% of loans to assessment area farms in amounts of \$100,000 or less, which are typically considered more responsive to the credit needs of very small businesses.

In 2019, the bank originated 100% of loans by number and 100% by dollar to farms with gross annual revenues of \$1 million or less. The bank's lending to small farms was comparable to the aggregate lending, which made 100% of loans by number and 100% by dollar and exceeded the demographic of 92.3% of farms in the assessment area with gross annual revenues of \$1 million or less. The bank also originated 100.0% of loans to assessment area farms in amounts of \$100,000 or less, which are typically considered more responsive to the credit needs of very small businesses.

Community Development Lending

BPPR made an adequate level of community development loans in the MSA 38660 (Ponce, PR) assessment area. During the evaluation period, the bank made 39 CD loans for approximately \$33.0 million, representing 3.1% of all BPPR's community development lending activity.

BPPR's CD lending was primarily for community services and revitalization and stabilization, as noted in the table. The bank decreased the annualized dollar amount of CD lending in the assessment area by 64.7% from the prior exam. The bank ranked second when compared to two similarly situated banks based on annualized community development loans to deposits within the MSA 38660 (Ponce, PR) assessment area.

CD LOANS		
MSA 38660 (Ponce, PR)		
PURPOSE	#	\$(000s)
Affordable Housing	0	\$0
Economic Development	3	\$1,265
Community Services	27	\$16,849
Revitalization and Stabilization	9	\$14,832
TOTAL	39	\$32,946

Examples of community development lending included the following:

- A \$6.8 million loan for a NMTC construction project of a new academic center and primary care clinic in an LMI geography.
- A \$1 million SBA PPP loan to retain 140 jobs in a moderate-income census tract during the COVID-19 pandemic.

INVESTMENT TEST

BPPR's performance in MSA 38660 (Ponce, PR) is based on the following summary. The bank made an adequate level of qualified community development investments and grants, particularly those not routinely provided by private investors, and rarely in a leadership position. The bank made occasional use of innovative or complex investments to support community development initiatives and exhibited adequate responsiveness to credit and community development needs.

During the evaluation period, the bank made 18 CD investments and grants in the assessment area totaling \$530,000. The bank’s annualized amount of CD investments in the assessment area increased by 31.5% from the prior exam. However, the bank’s deposits in the assessment area also significantly increased. Examiners took into account the fact that 92.4% of the bank’s investments were not limited to specific assessment areas but benefited all of Puerto Rico. This assessment area benefitted from the bank’s \$190.7 million in investments in the PCC and Popular Mezzanine Funds, as well as the bank’s investments in mortgage-backed security investments benefitting all of Puerto Rico. The bank ranked below two similarly situated banks when comparing annualized community development loans to deposits within the MSA 38660 (Ponce, PR) assessment area.

CD INVESTMENTS MSA 38660 (Ponce, PR)		
PURPOSE	#	\$(000s)
Affordable Housing	0	\$0
Economic Development	1	\$53
Community Services	16	\$422
Revitalization and Stabilization	1	\$55
TOTAL	18	\$530

Examples of qualified investments included:

- A \$52,600 grant to a foundation that focuses on entrepreneurship development initiatives offering economic development through workshops and seminars.
- A \$50,000 donation made at a fundraising event that supported community programs benefitting LMI individuals.

SERVICE TEST

BPPR’s performance under the service test in MSA 38660 (Ponce, PR) is based on delivery systems that were readily accessible to the bank’s geographies and individuals of different income levels in the assessment area, changes in branch locations did not adversely affect accessibility, services did not vary in a way that inconvenienced the needs of the assessment area, and hours and services were tailored to the convenience and needs of its assessment area. The bank provided a relatively high level of community development services within the assessment area.

Retail Services

BPPR's delivery systems were readily accessible to all geographies of the assessment area and individuals of different income levels. BPPR had ten branches in the assessment area, of which one, or 10.0%, was located in a moderate-income census tract, while 29.6% of the assessment area’s households resided in low- or moderate-income census tracts. BPPR operated a total of 39 ATMs throughout the assessment area, of which 12.8% were located in LMI geographies. Of the ATMs in the assessment area, 22 were located off-site and 13.6% of the off-site ATMs were located in LMI geographies.

BPPR’s record of opening and closings of branches in the assessment area did not adversely affect the accessibility of its delivery systems, particularly to low- and moderate-income geographies and low-and moderate-income individuals. During the evaluation period, BPPR did not open or close any branches in the assessment area.

BPPR’s hours and services were tailored to the convenience and needs of the assessment area, particularly LMI geographies and/or LMI individuals. Of the ten branches in the MSA 38660 (Ponce, PR) assessment area, six, or 60.0%, had Saturday, Sunday, or holiday hours. The bank’s one branch in an LMI census tracts also had Saturday, Sunday, or holiday hours.

Community Development Services

BPPR provided a relatively high level of community development services within the assessment area. As presented in the table below, BPPR conducted 181 community service events in the assessment area. The services consisted of a wide variety of events related to the financial education of children and adults and also providing small business technical assistance.

Examples of community development services include:

- The bank offered a workshop seminar through the bank’s Populoso Financial Education Program, by visiting schools and communities to teach children about the importance of saving.
- A bank employee offered a seminar through the Finance at Your Fingertips Program which covered the topic of Financial Education and Savings. Finance at Your Fingertips was established by Banco Popular to create awareness about the importance on the effective management of personal finances.

CD SERVICES MSA 38660 (Ponce, PR)	
Board & Committee Memberships	0
Technical Assistance	53
Seminars and Other Services	128
Total	181

METROPOLITAN AREA

MSA 11640 (ARECIBO, PR)

(LIMITED REVIEW)

DESCRIPTION OF INSTITUTION'S OPERATIONS

A limited evaluation of BPPR's performance in MSA 11640 (Arecibo, PR) was conducted. According to the 2015 ACS, MSA 11640 (Arecibo, PR) had 5.4% of the total population of Puerto Rico, and according to 2020 D& B information, 3.1% of all business establishments. The assessment area had an unemployment rate of 8.1% in 2021, and 45.7% of its families were below the poverty rate.

Key demographic highlights are listed on the chart below:

Assessment Area Demographics – MSA 11640 (Arecibo, PR)				
<i>Income Category</i>	<i>Tract Distribution</i>		Percentage of Owner-Occupied Housing Units by Tract	Percentage of Families by Income Level
	#	%		
Low Income	1	2.2%	0.5%	26.2%
Moderate Income	9	20.0%	13.2%	14.5%
Middle Income	22	48.9%	59.4%	17.0%
Upper Income	9	20.0%	27.0%	42.2%
Unknown	4	8.9%	0.0%	0.0%
Total	45	100.0%	100.0%	100.0%

During the evaluation period BPPR had 4.2% of its Puerto Rico lending activity in this assessment area and maintained six branches. Three of the branches were in LMI census tracts. The six branches operating in MSA 11640 (Arecibo, PR) generated 1.7% of the bank's deposits in Puerto Rico as of June 30, 2021. BPPR was the leading bank in the assessment area (1 of 3) with 64.8% of all deposits.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN MSA 11640 (ARECIBO, PR)

The overall lending test rating for Puerto Rico is High Satisfactory. BPPR's lending test performance in the assessment area was generally consistent this performance. During the evaluation period, the bank's lending performance reflected good geographic distribution and borrower distribution was adequate. Community Development lending performance was at a relatively high level. BPPR made 15 loans totaling \$7.7 million, representing 0.7% of all BPPR's community development loans in the assessment area during the evaluation period. Investment test performance was below the High Satisfactory performance in Puerto Rico, as the bank did not have any community development investments and made only grants and donations of \$70,000. Service test performance was consistent with the High Satisfactory rating in Puerto

Rico. The bank operated six branches in the assessment area, of which three were located in an LMI census tract. The institution provided a relatively high level of community development services in the assessment area.

Facts and data reviewed, including performance, can be found in the tables accompanying this report in Appendix A. Conclusions regarding performance, which did not impact the overall rating, are as follows:

Assessment Area	Lending Test	Investment Test	Service Test
MSA 11640 (Arecibo, PR)	Consistent	Below	Consistent

METROPOLITAN AREA

MSA 25020 (GUAYAMA, PR)

(LIMITED REVIEW)

DESCRIPTION OF INSTITUTION'S OPERATIONS

A limited evaluation of BPPR’s performance in MSA 25020 (Guayama, PR) was conducted. Located on the Caribbean coast of Puerto Rico, the assessment area has a population of 81,159 or 2.3% of the total population of Puerto Rico and 0.9% of Puerto Rico’s business establishments according to 2020 D&B information. Unemployment in the MSA 25020 (Guayama, PR) assessment area was 8.5% in 2021. The assessment area also has high poverty rates with 51.4% of all families with incomes below the poverty rate.

Key demographic highlights are listed on the chart below:

Assessment Area Demographics – MSA 25020 (Guayama, PR)				
<i>Income Category</i>	<i>Tract Distribution</i>		Percentage of Owner-Occupied Housing Units by Tract	Percentage of Families by Income Level
	#	%		
Low Income	1	5.0%	1.5%	24.9%
Moderate Income	1	5.0%	3.5%	14.4%
Middle Income	13	65.0%	78.5%	17.3%
Upper Income	2	10.0%	16.5%	43.5%
Unknown	3	15.0%	0.0%	0.0%
Total	20	100.0%	100.0%	100.0%

During the evaluation period BPPR had 1.4% of its Puerto Rico lending activity in this assessment area and maintained three branches. None of the branches were in LMI census tracts. The three branches operating in MSA 25020 (Guayama, PR) generated 0.6% of BPPR’s deposits in Puerto Rico as of June 30, 2021. BPPR is the leading bank in the assessment area (1 of 3) with 68.5% of all deposits.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN MSA 25020 (GUAYAMA, PR)

The overall lending test rating for Puerto Rico is High Satisfactory. BPPR’s lending test performance in the assessment area was below this performance. During the evaluation period, the bank’s lending reflected poor geographic distribution and borrower distribution was adequate. Community Development lending performance was at a relatively high level. BPPR originated four community development loans totaling \$29.5 million, representing 2.8% of all BPPR’s community development loans in the assessment area during the evaluation period. Investment test performance was below the High Satisfactory performance in Puerto Rico, as the bank did not have any community development investments or grants and donations.

Service test performance was consistent with the High Satisfactory rating in Puerto Rico. The bank operated three branches in the assessment area, of which none were located in LMI census tracts. The institution provided a relatively high level of community development services in the assessment area.

Facts and data reviewed, including performance, can be found in the tables accompanying this report in Appendix A. Conclusions regarding performance, which did not impact the overall rating, are as follows:

Assessment Area	Lending Test	Investment Test	Service Test
MSA 25020 (Guayama, PR)	Below	Below	Consistent

METROPOLITAN AREA

MSA 32420 (MAYAGÜEZ, PR)

(LIMITED REVIEW)

DESCRIPTION OF INSTITUTION'S OPERATIONS

A limited evaluation of Banco Popular de Puerto Rico's performance in MSA 32420 (Mayagüez, P.R.) was conducted. According to the 2015 ACS, Mayagüez has 3.1% of the total population of Puerto Rico and according to 2020 D&B information, 3.1% of all business establishments. The assessment area had an unemployment rate of 8.7% in 2021 and 43.4% of its families below the poverty rate.

Key demographic highlights are listed below:

Assessment Area Demographics – MSA 32420 (Mayagüez, PR)				
<i>Income Category</i>	<i>Tract Distribution</i>		Percentage of Owner-Occupied Housing Units by Tract	Percentage of Families by Income Level
	#	%		
Low Income	1	2.9%	1.6%	28.2%
Moderate Income	11	32.4%	21.5%	13.0%
Middle Income	11	32.4%	39.6%	16.6%
Upper Income	8	23.5%	36.1%	42.1%
Unknown	3	8.8%	1.2%	0.0%
Total	34	100.0%	100.0%	100.0%

During the evaluation period BPPR had 3.1% of its lending activity in the MSA 32420 (Mayagüez, PR) assessment area and maintained seven branches. Four of the branches were in LMI census tracts. The seven branches operating in MSA 32420 (Mayagüez, PR) generated 1.9% of deposits in Puerto Rico as of June 30, 2021. BPPR is the leading bank in the assessment area (one of three) with 59.3% of all deposits.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN MSA 32420 (MAYAGÜEZ, PR)

The overall lending test rating for Puerto Rico is High Satisfactory. BPPR's lending test performance in the assessment area was generally consistent with this performance. During the evaluation period, the bank's lending reflected good geographic distribution and borrower distribution was adequate. Community Development lending was at a relatively high level. BPPR originated 28 community development loans totaling \$34.1 million, representing 3.2% of all BPPR's community development loans in the assessment area during the evaluation period. Investment test performance was below the High Satisfactory

performance in Puerto Rico, as the bank did not have any community development investments and made only grants and donations of \$266,000. Service test performance was consistent with the High Satisfactory rating in Puerto Rico. The bank operated seven branches in the assessment area, of which four were located in LMI census tracts. The institution provided a relatively high level of community development services in the assessment area.

Facts and data reviewed, including performance, can be found in the tables accompanying this report in Appendix A. Conclusions regarding performance, which did not impact the overall rating, are as follows:

Assessment Area	Lending Test	Investment Test	Service Test
MSA 32420 (Mayagüez, PR)	Consistent	Below	Consistent

METROPOLITAN AREA

MSA 41900 (SAN GERMÁN, PR)

(LIMITED REVIEW)

DESCRIPTION OF INSTITUTION'S OPERATIONS

A limited evaluation of BPPR's performance in MSA 41900 (San Germán, PR) was conducted. According to the 2015 ACS, the MSA 41900 (San Germán, PR) assessment area has 3.7% of the total population of Puerto Rico and according to 2020 D&B information, 1.9% of all business establishments in Puerto Rico. The assessment area had an unemployment rate of 8.9% in 2021 and 48.1% of its families below the poverty rate.

Key demographic highlights are listed below:

Assessment Area Demographics – MSA 41900 (San Germán, PR)				
<i>Income Category</i>	<i>Tract Distribution</i>		Percentage of Owner-Occupied Housing Units by Tract	Percentage of Families by Income Level
	#	%		
Low Income	0	0.0%	0.0%	27.5%
Moderate Income	4	12.9%	9.1%	14.2%
Middle Income	18	58.1%	66.8%	16.6%
Upper Income	6	19.4%	24.2%	41.7%
Unknown	3	9.7%	0.0%	0.0%
Total	31	100.0%	100.0%	100.0%

During the evaluation period BPPR had 3.2% of its Puerto Rico lending activity in the MSA 32420 (San Germán, PR) assessment area and maintained four branches. None of the branches were in LMI census tracts. The four branches operating in MSA 41900 (San Germán, PR) generated 1.4% of BPPR's deposits in Puerto Rico as of June 30, 2021. BPPR is the leading bank in the assessment area (one of two) with 97.74% of all deposits.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN MSA 41900 (SAN GERMÁN, PR)

The overall lending test rating for Puerto Rico is High Satisfactory. BPPR's lending test performance in the assessment area was generally consistent with this performance. During the evaluation period, the bank's lending reflected good geographic distribution and borrower distribution was adequate. Community Development lending was at a relatively high level. BPPR originated seven community development loans totaling \$7.0 million, representing 0.7% of all BPPR's community development loans in the assessment area during the evaluation period. Investment test performance was below the High Satisfactory

performance in Puerto Rico, as the bank did not have any community development investments and made only grants and donations of \$25,000. Service test performance was consistent with the High Satisfactory rating in Puerto Rico. The bank operated four branches in the assessment area, of which none were located in LMI census tracts. The institution provided a relatively high level of community development services in the assessment area.

Facts and data reviewed, including performance, can be found in the tables accompanying this report in Appendix A. Conclusions regarding performance, which did not impact the overall rating, are as follows:

Assessment Area	Lending Test	Investment Test	Service Test
MSA 41900 (San Germán, PR)	Consistent	Below	Consistent

METROPOLITAN AREA

MSA 49500 (YAUCO, PR)

(LIMITED REVIEW)

DESCRIPTION OF INSTITUTION'S OPERATIONS

A limited evaluation of BPPR’s performance in MSA 49500 (Yauco, PR) was conducted. According to the 2015 ACS, Yauco has 2.8% of the total population of Puerto Rico and according to 2020 D&B information, 1.2% of all business establishments in Puerto Rico. The assessment area had a high unemployment rate of 11.7% in 2021 and 54.2% of its families below the poverty rate.

Key demographic highlights are listed below:

Assessment Area Demographics – MSA 49500 (Yauco, PR)				
<i>Income Category</i>	<i>Tract Distribution</i>		Percentage of Owner-Occupied Housing Units by Tract	Percentage of Families by Income Level
	#	%		
Low Income	0	0.0%	0.0%	25.5%
Moderate Income	3	9.4%	10.6%	14.8%
Middle Income	19	59.4%	66.9%	17.0%
Upper Income	7	21.9%	22.4%	42.7%
Unknown	3	9.4%	0.0%	0.0%
Total	32	100.0%	100.0%	100.0%

During the evaluation period BPPR had 1.6% of its lending activity in the MSA 49500 (Yauco, PR) assessment area and maintained four branches. Two of the branches were in LMI census tracts. The four branches operating in MSA 49500 (Yauco, PR) generated 0.5% of deposits in Puerto Rico as of June 30, 2021. BPPR is the leading bank in the assessment area (one of three) with 68.3% of all deposits.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN MSA 49500 (YAUCO, PR)

The overall lending test rating for Puerto Rico is High Satisfactory. BPPR’s lending test performance in the assessment area was generally consistent with this performance. During the evaluation period, the bank’s lending reflected good geographic distribution and borrower distribution was adequate. Community Development lending was poor. BPPR originated no community development loans in the assessment area during the evaluation period. Investment test performance was below the High Satisfactory performance in Puerto Rico, as the bank did not have any community development investments and made no grants and donations. Service test performance was consistent with the High Satisfactory rating in Puerto Rico. The bank operated four branches in the assessment area, of which two were located in LMI census

tracts. The institution did not provide any community development services in the assessment area. BPPR's performance in MSA 49500 (Yauco, PR) was consistent with its overall performance in Puerto Rico, which was based on performance in the full-scope assessment areas. Facts and data reviewed, including performance, can be found in the tables accompanying this report in Appendix A. Conclusions regarding performance, which did not impact the overall rating, are as follows:

Assessment Area	Lending Test	Investment Test	Service Test
MSA 49500 (Yauco, PR)	Consistent	Below	Consistent

NON-METROPOLITAN PUERTO RICO (LIMITED REVIEW)

DESCRIPTION OF INSTITUTION'S OPERATIONS

A limited evaluation of BPPR's performance in the Puerto Rico Non-Metropolitan (“non-metro PR”) assessment area was conducted. According to the 2015 ACS, the non-metro PR assessment area has 3.5% of the total population of Puerto Rico and according to D&B information, 1.8% of all business establishments in Puerto Rico. The assessment area had an unemployment rate of 9.8% in 2021 and 48.4% of its families below the poverty rate.

Key demographic highlights are listed below:

Assessment Area Demographics – Puerto Rico Non-Metro Assessment Area				
<i>Income Category</i>	<i>Tract Distribution</i>		Percentage of Owner-Occupied Housing Units by Tract	Percentage of Families by Income Level
	#	%		
Low Income	0	0.0%	0.0%	27.3%
Moderate Income	7	21.2%	17.3%	14.2%
Middle Income	18	54.5%	65.4%	15.7%
Upper Income	4	12.1%	17.4%	42.8%
Unknown	4	12.1%	0.0%	0.0%
Total	33	100.0%	100.0%	100.0%

During the evaluation period BPPR had 2.4% of its lending activity in the Puerto Rico non-metro assessment area and maintained seven branches. One of the branches was in an LMI census tract. The seven branches operating in the Puerto Rico non-metro assessment area generated 0.8% of BPPR’s deposits in Puerto Rico as of June 30, 2021. BPPR was the leading bank in the assessment area (one of two) with 90.4% of all deposits.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN NON-METROPOLITAN PUERTO RICO

The overall lending test rating for Puerto Rico is High Satisfactory. BPPR’s lending test performance in the assessment area was generally consistent with this performance. During the evaluation period, the bank’s lending reflected good geographic distribution and borrower distribution was adequate. Community Development lending was at an adequate level. BPPR originated 12 community development loans totaling \$2.8 million, representing 0.3% of all BPPR’s community development loans in the assessment area during the evaluation period. Investment test performance was below the High Satisfactory performance in Puerto Rico, as the bank did not have any community development investments and made only grants and donations of \$109,000. Service test performance was consistent with the High Satisfactory

rating in Puerto Rico. The bank operated seven branches in the assessment area, of which one was located in a moderate-income census tract. The institution provided a relatively high level of community development services in the assessment area.

Facts and data reviewed, including performance, can be found in the tables accompanying this report in Appendix A. Conclusions regarding performance, which did not impact the overall rating, are as follows:

Assessment Area	Lending Test	Investment Test	Service Test
Non-Metro PR	Consistent	Below	Consistent

N

U.S. VIRGIN ISLANDS

CRA RATING FOR U.S. VIRGIN ISLANDS: SATISFACTORY

The Lending Test is rated: Low Satisfactory

The Investment Test is rated: High Satisfactory

The Service Test is rated: High Satisfactory

The major factors supporting the rating include:

LENDING TEST

- Lending levels reflected adequate responsiveness to assessment area credit needs.
- The geographic distribution of loans reflected adequate penetration throughout the assessment area.
- The distribution of borrowers reflected, given the product lines offered, adequate penetration among customers of different income levels and businesses of different sizes.
- Exhibited an adequate record of serving the credit needs of low-income individuals and areas and very small businesses.
- Made a relatively high level of community development loans.
- Made limited use of innovative and/or flexible lending practices in serving assessment area credit needs.

INVESTMENT TEST

- Made a significant level of qualified community development investments and grants, particularly those not routinely provided by private investors, occasionally in a leadership position.
- Made occasional use of innovative and/or complex investments to support community development initiatives.
- Exhibited good responsiveness to credit and community development needs.

SERVICE TEST

- Delivery systems were readily accessible to the bank's geographies and individuals of different income levels in its assessment area.

- Record of opening and closing of branches did not adversely affect the accessibility of its delivery systems, particularly to low- and moderate-income geographies and/or LMI individuals.
- Services were tailored to convenience and needs of its assessment area, particularly LMI geographies and/or LMI individuals.
- Provided an adequate level of community development services.

SCOPE OF EXAMINATION

Examiner evaluation of BPPR's activities in the USVI consisted of a full-scope review of its USVI assessment area. BPPR's USVI full-scope area made up 2.4% of the deposits and 1.1% of the loans originated in the USVI assessment area during the review period.

DESCRIPTION OF INSTITUTION'S OPERATIONS

BPPR operated eight retail branches in the USVI, representing 4.8% of BPPR's total branch network. Four of the branches in the USVI are located in moderate-income geographies. BPPR is one of only five banks in the USVI Non-Metropolitan assessment area. During the review period, approximately 1.1% of the bank's total loans were originated in the USVI. As of June 30, 2021, BPPR's USVI branches held \$1.9 billion in deposits, or 2.4% of the bank's total deposit volume. BPPR ranks first in deposit market share (44.5%) ahead of its principal competitor, FirstBank (30.9%). Other banks included Oriental Bank, United Fidelity Bank, FSB, and Merchants Commercial Bank.

PERFORMANCE CONTEXT

The following demographic and economic information were used to describe the assessment area and to evaluate the context in which BPPR operates. The information was obtained from publicly available sources, including the 2006 - 2010 U.S. Census Bureau American Community Survey, 2010 U.S. Census Bureau, 2015 ACS, U.S. Department of Labor ("DOL"), D&B, FFIEC, USVI Bureau of Economic Research, USVI Bureau of Labor Statistics, and U.S. Department of Housing and Urban Development ("HUD").

Demographic Characteristics

The USVI assessment area included the islands of St. Croix, St. John, and St. Thomas. The assessment area comprised all of the USVI. According to the 2015 ACS, the population of the assessment area was 106,405. The assessment area consisted of 32 census tracts, of which one or 3.1% were low-income, seven or 21.9% were moderate-income, 16 or 50.0% were middle-income, five or 15.6% were upper-income, and three or 9.4% were of unknown-income.

Income Characteristics

Based on the 2015 ACS data, the USVI assessment area had 26,237 families, of which approximately 2.2% resided in low-income geographies and 25.3% resided in moderate-income geographies. According to the 2010 census data, approximately 27.0% of families residing in the USVI assessment area were considered low-income and 12.0% were moderate-income.

The FFIEC median family incomes for the islands comprising the USVI AA as of the 2015 ACS were as follows:

USVI - Median Family Income			
Area	2010 Median Family Income	2015 Median Family Income	Percent Change
USVI AA/Virgin Islands	\$45,058	\$45,058	0.00%
<i>Source: 2006 - 2010 U.S. Census Bureau American Community Survey 2011 - 2015 U.S. Census Bureau American Community Survey Median Family Incomes have been inflation-adjusted and are expressed in 2015 dollars.</i>			

Housing Characteristics

According to the 2010 Census, the USVI assessment area had 55,901 housing units, of which 37.0% were owner-occupied, 40.3% were rentals, and 22.7% were vacant. Of the total housing units, 1.6% were located in low-income tracts, 27.3% in moderate-income tracts, 50.7% in middle-income tracts, 20.4% in upper-income tracts, and 0.0% in unknown-income tracts.

According to the USVI Bureau of Economic Research, in 2019, the average sales price of condominiums in the USVI assessment area was \$242,175, up 15.8% from \$209,183 recorded in 2018. The St. Thomas-St. John district condominium average price was \$279,159 compared to \$200,290 one year earlier. Comparing the MFI to the average home price illustrated the challenges LMI individuals faced in obtaining affordable housing.

Housing Cost Burden: Data was not available for the USVI.

Labor, Employment and Economic Characteristics

According to D&B data, there were 1,028 businesses operating in the assessment area in 2019, of which 0.1% were located in low-income census tracts and 55.0% were located in moderate-income tracts. Of the total businesses operating in the assessment area, 82.0% were small businesses with a GAR of \$1 million or less, of which 0.1% were located in low-income geographies and 55.0% were located in moderate-income geographies.

In 2020, there were 1,614 businesses operating in the assessment area, of which 0.1% were located in low-income census tracts and 54.5% were located in moderate-income tracts. Of the total businesses operating

in the assessment area, 87.9% were small businesses with a GAR of \$1 million or less, of which 0.1% were located in low-income geographies and 54.1% were located in moderate-income geographies.

According to the USVI Bureau of Economic Research, unemployment in the assessment area was 11.1% in 2016, increased to 12.0% in 2017, decreased to 8.5% in 2018, decreased to 6.1% in 2019, increased to 8.7% in 2020, and increased to 8.8% in 2021.

According to the U.S. Bureau of Economic Analysis, the USVI economy was substantially affected by the COVID-19 pandemic due to its effects on spending by consumers, visitors, businesses, and governments. In 2020, exports of services, which historically consisted primarily of spending by visitors, decreased 43.5% and total visitor arrivals declined 58.5%, according to statistics from the USVI government. Additionally, private fixed investment decreased 27.7%, reflecting declines in business spending on construction and equipment. However, despite this decline, private-sector investment spending remained at an elevated level, supported by capital improvement projects ongoing in 2020 to resume oil refinery operations on St. Croix.

USVI - Unemployment Rates						
Area	2016	2017	2018	2019	2020	2021
USVI AA	11.1%	12.0%	8.4%	6.0%	10.1%	8.8%
St. Croix Island, VI	11.1%	11.8%	8.2%	5.4%	8.6%	9.5%
St. John Island/ St. Thomas Island, VI	11.0%	12.1%	8.6%	6.4%	11.2%	8.1%
<i>Source: USVI Bureau of Labor Statistics (BLS), Local Area Unemployment Statistics</i>						

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN U.S. VIRGIN ISLANDS

LENDING TEST

BPPR’s lending test performance was rated *Low Satisfactory*. BPPR’s lending levels activity in reflected adequate responsiveness to assessment area credit needs, the geographic distribution of loans reflected adequate penetration throughout the assessment area, the distribution of borrowers reflected, given the product lines offered, adequate penetration among customers of different income levels and businesses of different sizes, and the bank made a relatively high level of CD loans and made limited use of innovative and/or flexible lending practices in serving assessment area credit needs.

Lending Activity

Lending activity reflected adequate responsiveness to assessment area credit needs. During the evaluation period, the bank originated or purchased 36 home purchase loans, 35 refinance loans, six home improvement loans, and 764 small business loans. Lending activity in the USVI represented approximately 1.0% of the bank’s total lending activity evaluated during this evaluation period.

Volume trends during the evaluation period indicated an annualized decrease in home purchase lending of 14.3%. However, total HMDA-related lending slightly increased by 2.6%. Annualized small business lending increased by 591.4% in the assessment area.

While BPPR collected and provided loan data for the CRA evaluation, HMDA loan data for loans originated or purchased in the USVI are not subject to regulatory reporting requirements. As a result, aggregate analysis was not conducted for HMDA data.

Geographic Distribution of Loans

The geographic distribution of the bank's HMDA-related lending was adequate based on adequate penetration in LMI geographies, and the geographic distribution of small business lending was good based on good penetration in LMI tracts throughout the USVI assessment area.

BPPR's overall lending in the USVI is limited and HMDA-related lending volumes were insufficient to analyze on an individual product basis; therefore, HMDA-related lending was analyzed as a group and small business lending was analyzed separately. Small farm lending volumes were insufficient and excluded from the analysis. As complete demographic data from the 2010 Census is not available at the census tract level, the level of HMDA-related lending in LMI census tracts was compared to the percentage of LMI census tracts. Aggregate HMDA-related lending data were also not available for the USVI.

Home Purchase, Refinance, and Home Improvement Loans

The geographic distribution of the bank's HMDA-related lending was adequate based penetration in LMI geographies. In 2020, no HMDA-related loans were made in the assessment area's one low-income census tract, which represented 3.1% of all census tracts. The bank made 22.4% by number and 19.0% by dollar of HMDA-related loans in moderate-income census tracts, which represented 21.9% of census tracts in the assessment area.

In 2019, 3.6% by number and 1.2% by dollar of all HMDA-related loans were made in the assessment area's one low-income census tract, which represented 3.1% of all census tracts. The bank made 14.3% by number and 11.6% by dollar of HMDA-related loans in moderate-income census tracts, which represented 21.9% of census tracts in the assessment area.

Small Business Loans

The geographic distribution of small business loans was good based on penetration in both low- and moderate-income geographies in the assessment area. In 2020, the bank made 0.1% by number and 0.01% by dollar of small business loans in the assessment area's one low-income census tract, which represented 3.1% of all census tracts. The bank's small business lending performance in low-income census tracts was comparable to the demographic of 0.1% of businesses located in low-income census tracts and below the aggregate lending which made 0.2% by number and 0.3% by dollar of small business loans in low-income census tracts. The bank made 32.3% by number and 38.8% by dollar of small business loans in moderate-income census tracts, which represented 21.9% of all census tracts. BPPR's small business lending performance in moderate-income census tracts was below the demographic of 54.5% of businesses located

in moderate-income census tracts and exceeded the aggregate lending which made 27.4% by number and 35.0% by dollar of small business loans in moderate-income census tracts.

In 2019, the bank did not make any small business loans in the assessment area's one low-income census tract, which represented 3.1% of all census tracts which was comparable to the aggregate lending. The bank made 48.4% by number and 40.6% by dollar of small business loans in moderate-income census tracts, which represented 21.9% of all census tracts. BPPR's small business lending performance in moderate-income census tracts was below the demographic of 54.5% of businesses located in moderate-income census tracts but exceeded the aggregate lending which made 16.5% by number and 27.5% by dollar of small business loans in moderate-income census tracts.

Lending to Borrowers of Different Incomes and to Businesses of Different Sizes

The distribution of borrowers reflected, given the product lines offered, adequate penetration among customers of different income levels and businesses of different sizes. Overall, HMDA lending to LMI borrowers was adequate and lending to businesses with gross annual revenues of \$1 million or less was adequate.

BPPR's overall lending in the USVI is limited and HMDA-related lending volumes were insufficient to analyze on an individual product basis. Therefore, HMDA-related lending was analyzed as one product group and small business lending was analyzed separately. Aggregate HMDA lending data were not available for the USVI.

Home Purchase, Refinance, and Home Improvement Loans

The distribution of HMDA loans was adequate based on penetration among LMI borrowers in the assessment area. Considering performance context factors noted in Housing Characteristics above, BPPR's HMDA-related lending performance to low-income borrowers was adequate overall when compared to the 27.0% of families in the USVI who are low-income and to the 12% of families in the USVI who are moderate-income.

In 2020, the bank originated 2.0% by number and 0.3% by dollar of all HMDA-related loans to low-income borrowers and 2.0% by number, 0.7% by dollar, to moderate-income borrowers in the assessment area. In 2019, the bank originated 3.6% by number and 1.6% by dollar of all HMDA-related loans to low-income borrowers and 17.9% by number, 7.9% by dollar, to moderate-income borrowers in the assessment area.

Small Business Loans

The distribution of small business loans to businesses of different sizes was adequate based on penetration among small businesses in the assessment area. In 2020, the bank originated 11.3% of loans by number and 15.7% by dollar to businesses with gross annual revenues of \$1 million or less. The bank's lending to small businesses was comparable to the aggregate, which made 15.0% by number and 9.0% by dollar and below the 87.9% percentage of businesses in the assessment area with gross annual revenues of \$1 million or less. The bank also originated 90.1% of loans to assessment area businesses in amounts of \$100,000 or less, which are typically considered more responsive to the credit needs of very small businesses.

In 2019, the bank originated 57.8% of loans by number and 35.1% by dollar to businesses with gross annual revenues of \$1 million or less. The bank's lending to small businesses exceeded the aggregate, which made 38.0% by number and 29.3% by dollar and below the 82.0% percentage of businesses in the assessment area with gross annual revenues of \$1 million or less. The bank also originated 65.6% of loans to assessment area businesses in amounts of \$100,000 or less, which are typically considered more responsive to the credit needs of very small businesses.

Community Development Lending

Banco Popular made a relatively high level of community development loans in the USVI. During the evaluation period, community development lending in the USVI totaled 13 loans for \$78.7 million.

On an annualized basis, the bank increased the dollar amount of loans by 12.8% from the previous examination in which the bank originated 25 qualified loans for approximately \$107.8 million. The bank's lending was responsive to some of the community development needs within the USVI. Within the assessment area, CD lending efforts were distributed among community services and revitalization and stabilization. No loans addressed affordable housing which was identified as a significant assessment area need.

CD LOANS U.S. Virgin Islands		
PURPOSE	#	\$(000s)
Affordable Housing	0	0
Economic Development	0	0
Community Services	3	2,670
Revitalization and Stabilization	10	76,057
TOTAL	13	78,725

Examples of community development lending included the following:

- Four loans for \$36.3 million to fund critical infrastructure to be provided to LMI individuals and areas in the USVI.
- A \$30 million loan to USVI Public Finance Authority to support the local government of the USVI, ensuring the ability to continue to provide critical government services in distressed and LMI areas of the USVI.

INVESTMENT TEST

BPPR's performance in the USVI is based on the following summary and was rated *High Satisfactory*. The bank made a significant level of qualified CD investments and grants, particularly those not routinely provided by private investors, occasionally in a leadership position. The bank made occasional use of innovative and/or complex investments to support CD initiatives. The bank exhibited good responsiveness to credit and CD needs.

During the review period, the bank made 50 qualified CD investments totaling \$1.3 million in the USVI, which included 12 investments totaling \$1.0 million and 38 donations totaling \$300,000. This represented an annualized 717.2% increase in investment dollars between the previous and current examinations.

The bank’s CD investments included grants to responsive and innovative programs geared towards meeting economic development needs and other community needs after the natural disasters and the COVID-19 pandemic. Examples of CD investments in the USVI included the following:

- Investments of \$1 million in MBS benefitting the USVI.
- A \$2,500 grant to the American Red Cross of the U.S. Virgin Islands to help with disaster and emergency response.
- A \$5,000 donation to a Small Business Development Center that provided technical assistance to the USVI business community.

CD INVESTMENTS		
U.S. Virgin Islands		
PURPOSE	#	\$(000s)
Affordable Housing	12	\$1,039
Economic Development	0	\$0
Community Services	37	\$243
Revitalization and Stabilization	1	\$40
TOTAL	50	\$1,322

SERVICE TEST

BPPR’s performance under the service test in the USVI is rated *High Satisfactory* based on delivery systems that were readily accessible to the bank’s geographies and individuals of different income levels in the assessment area, changes in branch locations did not adversely affect accessibility, services did not vary in a way that inconvenienced the needs of the assessment area, and hours and services were tailored to the convenience and needs of its assessment area. The bank provided an adequate level of community development services within the assessment area.

Retail Services

BPPR’s delivery systems in the USVI were readily accessible to all geographies of the assessment area, when compared with the percentage of the assessment area’s population residing in LMI geographies. BPPR operated eight branches in this assessment area, of which four branches, or 50.0%, were located in moderate-income areas, compared to 28.8% of the assessment area’s population residing in LMI areas. Alternative delivery systems somewhat enhanced the bank’s performance in this assessment area. BPPR used multiple alternative delivery systems, including bank-by-mail, internet banking, mobile banking, and 24/7/365 live customer service.

During the evaluation period, no branches were opened, closed, or relocated. BPPR’s hours and services were tailored to the convenience and needs of its assessment area. During the review period, the number of branches with extended hours on Friday increased from zero to seven branches, and Saturday and holiday hours were available at three branches in this assessment area, one of which was in a moderate-income geography.

Community Development Services

BPPR provided an adequate level of community development services in the USVI. The bank provided 18 qualified CD service activities which included five board and committee memberships and provided an educational seminar to entry-level entrepreneurs, small businesses, and individuals thinking about starting a business through the Virgin Islands Small Business Development Center.

CD SERVICES	
U.S. Virgin Islands	
Activity Type	Number of Activities
Board & Committee Memberships	5
Technical Assistance	2
Seminars and Other Services	11
Total Community Development Services	18

APPENDIX A

HMDA & Small Business Distribution Reports

Distribution of 2019 and 2020 Home Mortgage Lending By Income Level of Geography													
Assessment Area: MSA 41980													
Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2019						2020						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	\$%	\$%	#	%	%	\$(000)	\$%	\$%	
Home Purchase Loans													
Low	30	1.0	1.7	2,398	0.5	1.2	18	0.6	1.6	1,876	0.3	1.1	1.8
Moderate	389	12.7	14.5	47,121	9.6	11.2	383	13.2	16.5	49,707	9.2	12.8	24.4
Middle	1,064	34.6	36.2	127,421	26.0	29.4	987	34.1	37.2	131,519	24.4	30.8	41.2
Upper	1,583	51.5	47.4	313,194	63.8	57.8	1,502	51.9	44.4	355,543	65.9	54.8	32.6
Unknown	6	0.2	0.3	815	0.2	0.3	4	0.1	0.3	839	0.2	0.4	0.1
Total	3,072	100.0	100.0	490,949	100.0	100.0	2,894	100.0	100.0	539,484	100.0	100.0	100.0
Refinance Loans													
Low	6	1.1	1.2	354	0.5	0.8	3	0.3	0.8	260	0.1	0.4	1.8
Moderate	65	12.3	15.7	10,818	13.9	14.0	102	9.0	12.1	17,682	7.4	9.4	24.4
Middle	186	35.2	36.1	19,625	25.2	29.1	310	27.3	30.3	41,099	17.1	21.8	41.2
Upper	270	51.1	46.4	46,968	60.3	55.7	717	63.1	56.3	180,137	75.1	68.0	32.6
Unknown	1	0.2	0.6	80	0.1	0.4	4	0.4	0.4	775	0.3	0.4	0.1
Total	528	100.0	100.0	77,845	100.0	100.0	1,136	100.0	100.0	239,953	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	0.0	0	0.0	0.0	2	3.6	2.8	221	2.5	2.0	1.8
Moderate	15	38.5	29.6	1,116	35.2	24.7	9	16.1	13.9	1,127	12.5	10.8	24.4
Middle	11	28.2	33.8	826	26.1	31.7	20	35.7	36.1	2,704	30.0	31.1	41.2
Upper	13	33.3	36.6	1,228	38.7	43.7	25	44.6	47.2	4,966	55.1	56.2	32.6
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.1
Total	39	100.0	100.0	3,170	100.0	100.0	56	100.0	100.0	9,018	100.0	100.0	100.0
Multifamily Loans													Multi- family Units %
Low	0	0.0	0.0	0	0.0	0.0	1	20.0	12.5	10,300	45.0	44.2	10.5
Moderate	0	0.0	10.0	0	0.0	0.4	0	0.0	0.0	0	0.0	0.0	16.3
Middle	3	60.0	40.0	33,025	69.3	67.5	2	40.0	50.0	5,002	21.9	22.9	25.4
Upper	2	40.0	50.0	14,616	30.7	32.2	2	40.0	37.5	7,590	33.2	32.9	46.8
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	1.0
Total	5	100.0	100.0	47,641	100.0	100.0	5	100.0	100.0	22,892	100.0	100.0	100.0
Total Home Mortgage Loans													Owner Occupied Units %
Low	58	1.1	1.6	4,162	0.6	1.1	123	1.1	1.4	20,509	1.3	1.3	1.8
Moderate	766	14.3	15.3	78,346	10.5	11.8	1,792	15.5	16.4	174,549	11.2	12.7	24.4
Middle	1,926	36.1	36.5	225,721	30.1	30.7	4,320	37.4	37.2	452,368	29.0	30.6	41.2
Upper	2,573	48.2	46.2	440,044	58.7	56.0	5,292	45.8	44.7	906,849	58.2	55.0	32.6
Unknown	17	0.3	0.4	1,263	0.2	0.4	23	0.2	0.3	3,081	0.2	0.4	0.1
Total	5,340	100.0	100.0	749,536	100.0	100.0	11,550	100.0	100.0	1,557,356	100.0	100.0	100.0
Source: 2020 FFIEC Census Data													
2011-2015 U.S. Census Bureau: American Community Survey													
Note: Percentages may not total 100.0 percent due to rounding.													

Distribution of 2019 and 2020 Home Mortgage Lending By Income Level of Geography													
Assessment Area: MSA 41980													
Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2019						2020						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	\$%	\$%	#	%	%	\$(000)	\$%	\$%	
Other Purpose LOC													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	1.8
Moderate	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	24.4
Middle	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	41.2
Upper	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	32.6
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.1
Total	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	100.0
Other Purpose Closed/Exempt													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	1.8
Moderate	0	0.0	13.9	0	0.0	10.0	0	0.0	16.4	0	0.0	13.6	24.4
Middle	0	0.0	39.1	0	0.0	30.5	0	0.0	32.8	0	0.0	27.4	41.2
Upper	0	0.0	46.1	0	0.0	58.0	0	0.0	50.7	0	0.0	59.0	32.6
Unknown	0	0.0	0.9	0	0.0	1.5	0	0.0	0.0	0	0.0	0.0	0.1
Total	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0
Purpose Not Applicable													
Low	22	1.3	1.3	1,410	1.1	1.1	99	1.3	1.5	7,852	1.1	1.3	1.8
Moderate	297	17.5	18.8	19,291	14.8	16.5	1,298	17.4	18.0	106,033	14.2	15.3	24.4
Middle	662	39.0	38.3	44,824	34.5	33.6	3,001	40.2	40.2	272,044	36.5	36.6	41.2
Upper	705	41.6	40.5	64,038	49.3	47.9	3,046	40.8	40.0	358,613	48.1	46.5	32.6
Unknown	10	0.6	1.1	368	0.3	0.9	15	0.2	0.3	1,467	0.2	0.3	0.1
Tract-Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	1,696	100.0	100.0	129,931	100.0	100.0	7,459	100.0	100.0	746,009	100.0	100.0	100.0
Source: 2020 FFIEC Census Data													
2011-2015 U.S. Census Bureau: American Community Survey													
Note: Percentages may not total 100.0 percent due to rounding.													

Distribution of 2019 and 2020 Home Mortgage Lending By Borrower Income Level													
Assessment Area: MSA 41980													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2019						2020						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	%	#	%	%	\$(000)	%	%	
Home Purchase Loans													
Low	14	0.5	0.8	621	0.1	0.3	8	0.3	0.5	398	0.1	0.2	26.5
Moderate	87	2.8	7.5	6,287	1.3	3.9	64	2.2	7.7	5,101	0.9	4.0	15.0
Middle	199	6.5	15.2	18,326	3.7	10.1	119	4.1	15.3	11,408	2.1	9.9	15.7
Upper	1,158	37.7	58.2	247,973	50.5	68.9	856	29.6	53.8	239,349	44.4	63.5	42.8
Unknown	1,614	52.5	18.2	217,742	44.4	16.8	1,847	63.8	22.7	283,228	52.5	22.4	0.0
Total	3,072	100.0	100.0	490,949	100.0	100.0	2,894	100.0	100.0	539,484	100.0	100.0	100.0
Refinance Loans													
Low	10	1.9	3.4	563	0.7	1.7	4	0.4	0.6	196	0.1	0.2	26.5
Moderate	37	7.0	9.5	2,673	3.4	5.5	25	2.2	4.3	2,066	0.9	2.0	15.0
Middle	63	11.9	16.7	5,379	6.9	11.1	68	6.0	8.3	6,523	2.7	4.5	15.7
Upper	305	57.8	56.7	51,930	66.7	66.6	718	63.2	58.5	174,399	72.7	67.3	42.8
Unknown	113	21.4	13.7	17,300	22.2	15.1	321	28.3	28.2	56,769	23.7	26.0	0.0
Total	528	100.0	100.0	77,845	100.0	100.0	1,136	100.0	100.0	239,953	100.0	100.0	100.0
Home Improvement Loans													
Low	3	7.7	4.2	165	5.2	2.8	1	1.8	1.4	29	0.3	0.3	26.5
Moderate	6	15.4	15.5	326	10.3	12.0	1	1.8	1.4	70	0.8	0.6	15.0
Middle	7	17.9	22.5	520	16.4	19.1	0	0.0	4.2	0	0.0	1.6	15.7
Upper	18	46.2	50.7	1,734	54.7	58.9	14	25.0	34.7	2,837	31.5	39.1	42.8
Unknown	5	12.8	7.0	425	13.4	7.2	40	71.4	58.3	6,082	67.4	58.4	0.0
Total	39	100.0	100.0	3,170	100.0	100.0	56	100.0	100.0	9,018	100.0	100.0	100.0
Total Home Mortgage Loans													
Low	27	0.5	1.0	1,349	0.2	0.4	13	0.1	0.3	623	0.0	0.1	26.5
Moderate	130	2.4	6.7	9,286	1.3	3.7	90	0.8	4.2	7,237	0.5	2.5	15.0
Middle	269	5.0	13.2	24,225	3.5	9.3	187	1.6	8.3	17,931	1.2	6.0	15.7
Upper	1,481	27.8	49.4	301,637	43.0	62.3	1,588	13.8	34.1	416,585	27.1	46.6	42.8
Unknown	3,428	64.3	29.7	365,398	52.1	24.1	9,667	83.7	53.0	1,092,088	71.2	44.7	0.0
Total	5,335	100.0	100.0	701,895	100.0	100.0	11,545	100.0	100.0	1,534,464	100.0	100.0	100.0
Source: 2020 FFIEC Census Data													
2011-2015 U.S. Census Bureau: American Community Survey													
Note: Percentages may not total 100.0 percent due to rounding.													
Multifamily loans are not included in the borrower distribution analysis.													

Distribution of 2019 and 2020 Home Mortgage Lending By Borrower Income Level

Assessment Area: MSA 41980													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2019						2020						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	%	#	%	%	\$(000)	%	%	
Other Purpose LOC													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	26.5
Moderate	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	15.0
Middle	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	15.7
Upper	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	42.8
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Total	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	100.0
Other Purpose Closed/Exempt													
Low	0	0.0	1.7	0	0.0	0.7	0	0.0	0.0	0	0.0	0.0	26.5
Moderate	0	0.0	10.4	0	0.0	5.8	0	0.0	14.9	0	0.0	9.3	15.0
Middle	0	0.0	17.4	0	0.0	11.4	0	0.0	11.9	0	0.0	7.9	15.7
Upper	0	0.0	60.0	0	0.0	71.6	0	0.0	67.2	0	0.0	76.3	42.8
Unknown	0	0.0	10.4	0	0.0	10.5	0	0.0	6.0	0	0.0	6.6	0.0
Total	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0
Purpose Not Applicable													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	26.5
Moderate	0	0.0	0.0	1,696	1.3	0.0	0	0.0	0.0	7,459	1.0	0.0	15.0
Middle	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	15.7
Upper	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	42.8
Unknown	1,696	100.0	100.0	0	0.0	100.0	7,459	100.0	100.0	0	0.0	100.0	0.0
Total	1,696	100.0	100.0	129,931	100.0	100.0	7,459	100.0	100.0	746,009	100.0	100.0	100.0

Source: 2020 FFIEC Census Data
2011-2015 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Distribution of 2019 and 2020 Small Business Lending By Income Level of Geography Assessment Area: MSA 41980													
Geographic Income Level	Bank And Aggregate Loans By Year												Total Businesses %
	2019						2020						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	%	#	%	%	\$(000)	%	%	
Low	300	4.6	3.3	22,742	4.2	3.4	865	3.5	3.2	43,446	4.0	3.6	4.6
Moderate	1,362	20.9	16.4	107,353	19.9	17.6	4,477	18.3	16.9	194,964	17.9	17.5	23.0
Middle	1,912	29.4	24.0	148,367	27.5	27.0	7,069	28.9	27.4	287,018	26.4	25.9	23.5
Upper	2,881	44.2	46.8	253,395	47.0	49.3	11,889	48.6	50.1	547,440	50.4	51.1	47.6
Unknown	56	0.9	0.8	6,926	1.3	1.4	154	0.6	0.7	13,902	1.3	1.5	1.3
Tract-Unknown	0	0.0	8.5	0	0.0	1.3	0	0.0	1.7	0	0.0	0.4	
Total	6,511	100.0	100.0	538,783	100.0	100.0	24,454	100.0	100.0	1,086,770	100.0	100.0	100.0

Source: 2020 FFIEC Census Data
2011-2015 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Distribution of 2019 and 2020 Small Business Lending By Revenue Size of Businesses													
Assessment Area: MSA 41980													
	Bank And Aggregate Loans By Year												Total Businesses%
	2019						2020						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	%	#	%	%	\$(000)	%	%	
By Revenue													
\$1 Million or Less	4,458	68.5	55.6	230,491	42.8	37.6	8,579	35.1	30.0	315,099	29.0	23.1	77.7
Over \$1 Million	1,774	27.2		281,402	52.2		3,219	13.2		511,598	47.1		21.0
Revenue Unknown	279	4.3		26,890	5.0		12,656	51.8		260,073	23.9		1.3
Total	6,511	100.0		538,783	100.0		24,454	100.0		1,086,770	100.0		100.0
By Loan Size													
\$100,000 or Less	5,389	82.8	86.6	188,908	35.1	32.1	22,277	91.1	90.5	464,716	42.8	39.8	
\$100,001 - \$250,000	711	10.9	7.7	132,626	24.6	21.8	1,420	5.8	6.0	241,558	22.2	21.8	
\$250,001 - \$1 Million	411	6.3	5.7	217,249	40.3	46.1	757	3.1	3.5	380,496	35.0	38.4	
Total	6,511	100.0	100.0	538,783	100.0	100.0	24,454	100.0	100.0	1,086,770	100.0	100.0	
By Loan Size and Revenues \$1 Million or Less													
\$100,000 or Less	4,072	91.3		122,513	53.2		8,094	94.3		191,615	60.8		
\$100,001 - \$250,000	252	5.7		43,615	18.9		336	3.9		56,083	17.8		
\$250,001 - \$1 Million	134	3.0		64,363	27.9		149	1.7		67,401	21.4		
Total	4,458	100.0		230,491	100.0		8,579	100.0		315,099	100.0		
Source: 2020 FFIEC Census Data 2020 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.													

Distribution of 2019 and 2020 Small Farm Lending By Income Level of Geography

Assessment Area: MSA 41980													
Geographic Income Level	Bank And Aggregate Loans By Year												Total Farms %
	2019						2020						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	\$%	\$%	#	%	%	\$(000)	\$%	\$%	
Low	1	1.9	1.8	49	0.8	0.7	7	1.7	1.7	516	4.0	3.9	2.6
Moderate	17	31.5	35.1	703	11.2	14.9	106	25.2	25.3	2,332	18.1	20.3	43.6
Middle	21	38.9	36.8	2,693	42.9	41.1	144	34.2	34.0	4,917	38.2	37.2	29.9
Upper	15	27.8	26.3	2,830	45.1	43.2	162	38.5	38.5	5,082	39.5	38.5	23.9
Unknown	0	0.0	0.0	0	0.0	0.0	2	0.5	0.5	20	0.2	0.2	0.0
Total	54	100.0	100.0	6,275	100.0	100.0	421	100.0	100.0	12,867	100.0	100.0	100.0

Source: 2020 FFIEC Census Data
2020 Dun & Bradstreet Data
2011-2015 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Distribution of 2019 and 2020 Small Farm Lending By Revenue Size of Farms													
Assessment Area: MSA 41980													
	Bank And Aggregate Loans By Year												Total Farms %
	2019						2020						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	\$%	\$%	#	%	%	\$(000)	\$%	\$%	
By Revenue													
\$1 Million or Less	36	66.7	66.7	1,619	25.8	28.1	109	25.9	26.2	2,979	23.2	25.2	94.9
Over \$1 Million	16	29.6		4,439	70.7		38	9.0		5,198	40.4		5.1
Revenue Unknown	2	3.7		217	3.5		274	65.1		4,690	36.4		0.0
Total	54	100.0		6,275	100.0		421	100.0		12,867	100.0		100.0
By Loan Size													
\$100,000 or Less	38	70.4	70.2	1,446	23.0	23.8	390	92.6	92.4	6,148	47.8	46.5	
\$100,001 - \$250,000	8	14.8	15.8	1,570	25.0	26.4	21	5.0	5.0	3,076	23.9	23.3	
\$250,001 - \$500,000	8	14.8	14.0	3,259	51.9	49.8	10	2.4	2.6	3,643	28.3	30.2	
Total	54	100.0	100.0	6,275	100.0	100.0	421	100.0	100.0	12,867	100.0	100.0	
By Loan Size and Revenues \$1 Million or Less													
\$100,000 or Less	33	91.7		1,074	66.3		102	93.6		1,833	61.5		
\$100,001 - \$250,000	3	8.3		545	33.7		6	5.5		757	25.4		
\$250,001 - \$500,000	0	0.0		0	0.0		1	0.9		389	13.1		
Total	36	100.0		1,619	100.0		109	100.0		2,979	100.0		

Source: 2020 FFIEC Census Data
2020 Dun & Bradstreet Data
2011-2015 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Distribution of 2019 and 2020 Home Mortgage Lending By Income Level of Geography													
Assessment Area: MSA 10380													

Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2019						2020						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	\$%	\$%	#	%	%	\$(000)	\$%	\$%	
Home Purchase Loans													
Low	1	0.4	0.5	60	0.2	0.4	1	0.5	1.1	44	0.2	0.5	0.9
Moderate	28	12.1	14.9	3,075	11.0	13.9	37	18.6	15.4	3,971	14.8	12.7	19.3
Middle	128	55.4	54.3	16,277	58.0	56.2	100	50.3	55.4	14,344	53.5	57.6	56.9
Upper	74	32.0	30.3	8,668	30.9	29.4	61	30.7	28.1	8,473	31.6	29.2	22.9
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Total	231	100.0	100.0	28,080	100.0	100.0	199	100.0	100.0	26,832	100.0	100.0	100.0
Refinance Loans													
Low	0	0.0	0.9	0	0.0	1.3	1	1.2	1.6	92	0.9	1.0	0.9
Moderate	8	19.0	15.9	688	13.4	13.6	10	12.3	14.7	1,084	11.1	11.0	19.3
Middle	22	52.4	58.6	2,980	58.2	60.0	45	55.6	58.4	5,445	55.9	63.1	56.9
Upper	12	28.6	24.5	1,454	28.4	25.1	25	30.9	25.3	3,122	32.0	24.9	22.9
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Total	42	100.0	100.0	5,122	100.0	100.0	81	100.0	100.0	9,743	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.9
Moderate	2	33.3	30.0	142	35.3	35.0	0	0.0	0.0	0	0.0	0.0	19.3
Middle	2	33.3	50.0	190	47.3	54.2	3	75.0	68.8	354	78.0	56.2	56.9
Upper	2	33.3	20.0	70	17.4	10.8	1	25.0	31.3	100	22.0	43.8	22.9
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Total	6	100.0	100.0	402	100.0	100.0	4	100.0	100.0	454	100.0	100.0	100.0
Multifamily Loans													Multi-family Units %
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	2.7
Moderate	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	29.8
Middle	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	51.6
Upper	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	15.9
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Total	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	100.0
Total Home Mortgage Loans													Owner Occupied Units %
Low	2	0.5	0.7	107	0.3	0.7	2	0.3	1.0	136	0.2	0.6	0.9
Moderate	55	14.8	15.9	4,858	12.0	14.2	121	18.0	16.5	11,109	15.6	13.6	19.3
Middle	202	54.3	54.6	23,662	58.6	57.0	327	48.7	53.6	36,092	50.7	56.5	56.9
Upper	113	30.4	28.8	11,763	29.1	28.2	222	33.0	29.0	23,840	33.5	29.4	22.9
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract- Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	372	100.0	100.0	40,390	100.0	100.0	672	100.0	100.0	71,177	100.0	100.0	100.0
Source: 2020 FFIEC Census Data													
2011-2015 U.S. Census Bureau: American Community Survey													
Note: Percentages may not total 100.0 percent due to rounding.													

Distribution of 2019 and 2020 Home Mortgage Lending By Borrower Income Level													
Assessment Area: MSA 10380													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2019						2020						
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	%	%	\$(000)	%	%	#	%	%	\$(000)	%	%	
Home Purchase Loans													
Low	0	0.0	0.1	0	0.0	0.1	1	0.5	0.3	28	0.1	0.1	26.4
Moderate	5	2.2	2.3	321	1.1	1.1	5	2.5	2.6	364	1.4	1.2	14.7
Middle	25	10.8	11.5	2,116	7.5	7.5	11	5.5	9.5	912	3.4	5.7	15.9
Upper	132	57.1	75.8	17,901	63.8	82.1	113	56.8	76.2	16,896	63.0	82.0	43.0
Unknown	69	29.9	10.2	7,742	27.6	9.2	69	34.7	11.4	8,632	32.2	10.9	0.0
Total	231	100.0	100.0	28,080	100.0	100.0	199	100.0	100.0	26,832	100.0	100.0	100.0
Refinance Loans													
Low	0	0.0	1.8	0	0.0	0.5	0	0.0	0.3	0	0.0	0.0	26.4
Moderate	1	2.4	5.9	65	1.3	2.7	0	0.0	4.1	0	0.0	1.9	14.7
Middle	1	2.4	17.3	38	0.7	11.0	4	4.9	9.1	342	3.5	5.6	15.9
Upper	34	81.0	70.0	4,417	86.2	80.5	68	84.0	70.3	8,189	84.1	75.0	43.0
Unknown	6	14.3	5.0	602	11.8	5.4	9	11.1	16.3	1,212	12.4	17.4	0.0
Total	42	100.0	100.0	5,122	100.0	100.0	81	100.0	100.0	9,743	100.0	100.0	100.0
Home Improvement Loans													
Low	1	16.7	10.0	25	6.2	3.9	0	0.0	0.0	0	0.0	0.0	26.4
Moderate	1	16.7	10.0	45	11.2	6.9	0	0.0	6.3	0	0.0	2.1	14.7
Middle	0	0.0	0.0	0	0.0	0.0	0	0.0	6.3	0	0.0	4.8	15.9
Upper	4	66.7	80.0	332	82.6	89.2	1	25.0	68.8	44	9.7	73.6	43.0
Unknown	0	0.0	0.0	0	0.0	0.0	3	75.0	18.8	410	90.3	19.6	0.0
Total	6	100.0	100.0	402	100.0	100.0	4	100.0	100.0	454	100.0	100.0	100.0
Total Home Mortgage Loans													
Low	1	0.3	0.5	25	0.1	0.1	1	0.1	0.2	28	0.0	0.1	26.4
Moderate	7	1.9	2.9	431	1.1	1.4	5	0.7	2.2	364	0.5	1.2	14.7
Middle	26	7.0	11.8	2,154	5.3	7.9	15	2.2	6.6	1,254	1.8	4.4	15.9
Upper	170	45.7	66.0	22,650	56.1	75.3	182	27.1	52.8	25,129	35.3	62.9	43.0
Unknown	168	45.2	18.8	15,130	37.5	15.3	469	69.8	38.2	44,402	62.4	31.5	0.0
Total	372	100.0	100.0	40,390	100.0	100.0	672	100.0	100.0	71,177	100.0	100.0	100.0
Source: 2020 FFIEC Census Data													
2011-2015 U.S. Census Bureau: American Community Survey													
Note: Percentages may not total 100.0 percent due to rounding.													
Multifamily loans are not included in the borrower distribution analysis.													

Distribution of 2019 and 2020 Home Mortgage Lending By Borrower Income Level														
Assessment Area: MSA 10380														
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %	
	2019						2020							
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg		
	#	%	%	\$(000)	%	%	#	%	%	\$(000)	%	%		
Other Purpose LOC														
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0	26.4
Moderate	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0	14.7
Middle	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0	15.9
Upper	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0	43.0
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0	0.0
Total	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0	100.0
Other Purpose Closed/Exempt														
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0	26.4
Moderate	0	0.0	3.8	0	0.0	3.6	0	0.0	11.1	0	0.0	3.9	0.0	14.7
Middle	0	0.0	34.6	0	0.0	28.7	0	0.0	0.0	0	0.0	0.0	0.0	15.9
Upper	0	0.0	53.8	0	0.0	55.6	0	0.0	77.8	0	0.0	89.3	0.0	43.0
Unknown	0	0.0	7.7	0	0.0	12.1	0	0.0	11.1	0	0.0	6.8	0.0	0.0
Total	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	0.0	100.0
Purpose Not Applicable														
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0	26.4
Moderate	0	0.0	0.0	93	1.4	0.0	0	0.0	0.0	388	1.1	0.0	0.0	14.7
Middle	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0	15.9
Upper	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0	43.0
Unknown	93	100.0	100.0	0	0.0	100.0	388	100.0	100.0	0	0.0	100.0	0.0	0.0
Total	93	100.0	100.0	6,786	100.0	100.0	388	100.0	100.0	34,148	100.0	100.0	0.0	100.0

Source: 2020 FFIEC Census Data
2011-2015 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Distribution of 2019 and 2020 Small Business Lending By Income Level of Geography													
Assessment Area: MSA 10380													
Geographic Income Level	Bank And Aggregate Loans By Year												Total Businesses %
	2019						2020						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	%	#	%	%	\$(000)	%	%	
Low	24	2.5	3.3	1,249	2.2	2.4	80	3.0	3.1	2,480	2.4	2.3	9.8
Moderate	182	19.3	17.4	12,391	21.5	22.1	486	18.2	17.4	19,873	19.5	19.1	9.7
Middle	516	54.8	49.4	31,354	54.3	52.2	1,453	54.3	54.1	53,694	52.7	53.6	47.2
Upper	220	23.4	21.2	12,759	22.1	20.8	655	24.5	23.9	25,904	25.4	24.2	33.4
Tract- Unknown	0	0.0	8.7	0	0.0	2.4	0	0.0	1.5	0	0.0	0.9	
Total	942	100.0	100.0	57,753	100.0	100.0	2,674	100.0	100.0	101,951	100.0	100.0	100.0

Source: 2020 FFIEC Census Data
2020 Dun & Bradstreet Data
2011-2015 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Distribution of 2019 and 2020 Small Business Lending By Revenue Size of Businesses													
Assessment Area: MSA 10380													
	Bank And Aggregate Loans By Year												Total Businesses %
	2019						2020						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	%	#	%	%	\$(000)	%	%	
By Revenue													
\$1 Million or Less	706	74.9	66.8	27,664	47.9	48.4	1,198	44.8	39.4	38,122	37.4	33.6	87.8
Over \$1 Million	193	20.5		24,843	43.0		338	12.6		44,350	43.5		11.2
Revenue Unknown	43	4.6		5,246	9.1		1,138	42.6		19,479	19.1		1.0
Total	942	100.0		57,753	100.0		2,674	100.0		101,951	100.0		100.0
By Loan Size													
\$100,000 or Less	827	87.8	88.1	23,874	41.3	38.5	2,478	92.7	92.6	48,607	47.7	47.1	
\$100,001 - \$250,000	76	8.1	7.7	13,822	23.9	24.6	128	4.8	4.8	21,994	21.6	21.9	
\$250,001 - \$1 Million	39	4.1	4.2	20,057	34.7	37.0	68	2.5	2.6	31,350	30.8	31.0	
Total	942	100.0	100.0	57,753	100.0	100.0	2,674	100.0	100.0	101,951	100.0	100.0	
By Loan Size and Revenues \$1 Million or Less													
\$100,000 or Less	659	93.3		16,168	58.4		1,144	95.5		24,339	63.8		
\$100,001 - \$250,000	37	5.2		6,480	23.4		37	3.1		5,753	15.1		
\$250,001 - \$1 Million	10	1.4		5,016	18.1		17	1.4		8,030	21.1		
Total	706	100.0		27,664	100.0		1,198	100.0		38,122	100.0		
Source: 2020 FFIEC Census Data 2020 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey													
Note: Percentages may not total 100.0 percent due to rounding.													

Distribution of 2019 and 2020 Small Farm Lending By Income Level of Geography													
Assessment Area: MSA 10380													
Geographic Income Level	Bank And Aggregate Loans By Year												Total Farms %
	2019						2020						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	%	#	%	%	\$(000)	%	%	
Low	2	6.9	6.3	500	22.2	16.0	13	8.8	8.7	1,169	27.6	27.1	33.3
Moderate	10	34.5	31.3	740	32.8	23.7	41	27.7	27.5	1,661	39.2	38.5	2.4
Middle	14	48.3	53.1	943	41.9	58.0	72	48.6	49.0	1,179	27.9	29.3	38.1
Upper	3	10.3	9.4	70	3.1	2.2	22	14.9	14.8	224	5.3	5.2	26.2
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Total	29	100.0	100.0	2,253	100.0	100.0	148	100.0	100.0	4,233	100.0	100.0	100.0
Source: 2020 FFIEC Census Data 2020 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey													
Note: Percentages may not total 100.0 percent due to rounding.													

Distribution of 2019 and 2020 Small Farm Lending By Revenue Size of Farms													
Assessment Area: MSA 10380													
	Bank And Aggregate Loans By Year												Total Farms %
	2019						2020						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	%	#	%	%	\$(000)	%	%	
By Revenue													
\$1 Million or Less	24	82.8	84.4	1,480	65.7	75.2	67	45.3	45.6	2,484	58.7	59.5	95.2
Over \$1 Million	3	10.3		720	32.0		9	6.1		762	18.0		4.8
Revenue Unknown	2	6.9		53	2.4		72	48.6		987	23.3		0.0
Total	29	100.0		2,253	100.0		148	100.0		4,233	100.0		100.0
By Loan Size													
\$100,000 or Less	23	79.3	75.0	643	28.5	23.4	139	93.9	94.0	2,329	55.0	55.9	
\$100,001 - \$250,000	3	10.3	9.4	510	22.6	16.3	6	4.1	4.0	962	22.7	22.3	
\$250,001 - \$500,000	3	10.3	15.6	1,100	48.8	60.3	3	2.0	2.0	942	22.3	21.8	
Total	29	100.0	100.0	2,253	100.0	100.0	148	100.0	100.0	4,233	100.0	100.0	
By Loan Size and Revenues \$1 Million or Less													
\$100,000 or Less	20	83.3		520	35.1		63	94.0		1,564	63.0		
\$100,001 - \$250,000	2	8.3		360	24.3		2	3.0		320	12.9		
\$250,001 - \$500,000	2	8.3		600	40.5		2	3.0		600	24.2		
Total	24	100.0		1,480	100.0		67	100.0		2,484	100.0		
<p>Source: 2020 FFIEC Census Data 2020 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey</p> <p>Note: Percentages may not total 100.0 percent due to rounding.</p>													

Distribution of 2019 and 2020 Home Mortgage Lending By Income Level of Geography													
Assessment Area: MSA 38660													
Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units (OOU) %
	2019						2020						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	%	%	#	#%	#%	\$(000)	%	%	
Home Purchase Loans													
Low	4	2.3	1.5	243	1.4	0.9	3	2.2	3.1	146	0.8	1.8	3.9
Moderate	17	9.9	12.3	1,311	7.3	11.0	9	6.5	10.0	960	5.6	7.8	20.4
Middle	55	32.0	32.4	5,504	30.7	31.3	50	36.2	34.8	5,534	32.1	31.5	37.9
Upper	95	55.2	53.2	10,830	60.4	56.4	76	55.1	51.6	10,604	61.5	58.7	37.4
Unknown	1	0.6	0.7	45	0.3	0.4	0	0.0	0.5	0	0.0	0.2	0.4
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	172	100.0	100.0	17,933	100.0	100.0	138	100.0	100.0	17,244	100.0	100.0	100.0
Refinance Loans													
Low	0	0.0	0.7	0	0.0	0.6	1	1.8	3.0	54	0.7	4.1	3.9
Moderate	1	2.9	12.1	131	3.8	20.7	2	3.6	8.0	208	2.5	4.9	20.4
Middle	15	42.9	34.0	1,226	35.2	28.4	19	33.9	35.4	2,038	24.8	32.5	37.9
Upper	18	51.4	52.5	2,093	60.0	50.0	34	60.7	53.6	5,934	72.1	58.4	37.4
Unknown	1	2.9	0.7	36	1.0	0.2	0	0.0	0.0	0	0.0	0.0	0.4
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	35	100.0	100.0	3,486	100.0	100.0	56	100.0	100.0	8,234	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	0.0	0	0.0	0.0	1	33.3	25.0	35	9.5	7.0	3.9
Moderate	0	0.0	0.0	0	0.0	0.0	0	0.0	25.0	0	0.0	25.8	20.4
Middle	0	0.0	16.7	0	0.0	15.9	0	0.0	0.0	0	0.0	0.0	37.9
Upper	2	100.0	83.3	133	100.0	84.1	2	66.7	50.0	334	90.5	67.2	37.4
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.4
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	2	100.0	100.0	133	100.0	100.0	3	100.0	100.0	369	100.0	100.0	100.0
Multifamily Loans													Multi- family Units %
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Moderate	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	22.4
Middle	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	25.0
Upper	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	22.7
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	2.2
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	100.0
Total Home Mortgage Loans													OOU %
Low	6	1.8	1.5	316	1.1	1.0	22	2.7	2.9	1,220	1.7	2.3	
Moderate	33	9.9	12.1	2,067	7.2	12.3	76	9.5	10.2	4,825	6.6	7.6	20.4
Middle	115	34.6	32.8	9,410	32.6	31.3	286	35.6	35.2	24,351	33.4	33.0	37.9
Upper	176	53.0	53.0	16,954	58.8	55.0	411	51.2	50.9	42,204	57.8	56.8	37.4
Unknown	2	0.6	0.6	81	0.3	0.4	8	1.0	0.7	382	0.5	0.3	0.4
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	332	100.0	100.0	28,828	100.0	100.0	803	100.0	100.0	72,982	100.0	100.0	100.0

Source: 2020 FFIEC Census Data
2011-2015 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Distribution of 2019 and 2020 Home Mortgage Lending By Income Level of Geography													
Assessment Area: MSA 38660													
Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2019						2020						
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	#%	#%	\$(000)	\$%	\$%	#	#%	#%	\$(000)	\$%	\$%	
Other Purpose LOC													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	3.9
Moderate	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	20.4
Middle	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	37.9
Upper	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	37.4
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.4
Total	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	100.0
Other Purpose Closed/Exempt													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	3.9
Moderate	0	0.0	13.3	0	0.0	14.5	0	0.0	0.0	0	0.0	0.0	20.4
Middle	0	0.0	33.3	0	0.0	36.1	0	0.0	20.0	0	0.0	16.6	37.9
Upper	0	0.0	53.3	0	0.0	49.3	0	0.0	80.0	0	0.0	83.4	37.4
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.4
Total	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0
Purpose Not Applicable													
Low	2	1.6	2.6	73	1.0	2.1	17	2.8	2.6	985	2.1	1.9	3.9
Moderate	15	12.2	11.7	625	8.6	9.0	65	10.7	11.3	3,657	7.8	8.8	20.4
Middle	45	36.6	33.8	2,680	36.8	35.2	217	35.8	35.9	16,779	35.6	35.7	37.9
Upper	61	49.6	51.3	3,898	53.6	52.7	299	49.3	49.0	25,332	53.7	52.9	37.4
Unknown	0	0.0	0.6	0	0.0	1.0	8	1.3	1.2	382	0.8	0.7	0.4
Total	123	100.0	100.0	7,276	100.0	100.0	606	100.0	100.0	47,135	100.0	100.0	100.0
<i>Source: 2020 FFIEC Census Data</i> <i>2011-2015 U.S. Census Bureau: American Community Survey</i> <i>Note: Percentages may not total 100.0 percent due to rounding.</i>													

Distribution of 2019 and 2020 Home Mortgage Lending By Borrower Income Level													
Assessment Area: MSA 38660													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2019						2020						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	\$%	\$%	#	%	%	\$(000)	\$%	\$%	
Home Purchase Loans													
Low	0	0.0	0.2	0	0.0	0.1	0	0.0	0.2	0	0.0	0.0	28.7
Moderate	8	4.7	5.6	534	3.0	3.3	2	1.4	3.6	176	1.0	2.2	12.8
Middle	29	16.9	16.0	2,419	13.5	12.0	4	2.9	13.1	256	1.5	8.7	15.2
Upper	87	50.6	66.9	9,795	54.6	73.1	51	37.0	60.8	7,733	44.8	68.6	43.3
Unknown	48	27.9	11.3	5,185	28.9	11.5	81	58.7	22.4	9,079	52.7	20.5	0.0
Total	172	100.0	100.0	17,933	100.0	100.0	138	100.0	100.0	17,244	100.0	100.0	100.0
Refinance Loans													
Low	0	0.0	0.7	0	0.0	0.3	0	0.0	0.0	0	0.0	0.0	28.7
Moderate	3	8.6	7.1	140	4.0	3.9	0	0.0	3.8	0	0.0	2.1	12.8
Middle	3	8.6	14.2	167	4.8	8.2	4	7.1	8.0	259	3.1	5.1	15.2
Upper	28	80.0	70.2	3,093	88.7	79.5	40	71.4	53.2	6,080	73.8	59.5	43.3
Unknown	1	2.9	7.8	86	2.5	8.0	12	21.4	35.0	1,895	23.0	33.4	0.0
Total	35	100.0	100.0	3,486	100.0	100.0	56	100.0	100.0	8,234	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	28.7
Moderate	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	12.8
Middle	0	0.0	16.7	0	0.0	15.9	0	0.0	0.0	0	0.0	0.0	15.2
Upper	2	100.0	83.3	133	100.0	84.1	0	0.0	25.0	0	0.0	25.8	43.3
Unknown	0	0.0	0.0	0	0.0	0.0	3	100.0	75.0	369	100.0	74.2	0.0
Total	2	100.0	100.0	133	100.0	100.0	3	100.0	100.0	369	100.0	100.0	100.0
Total Home Mortgage Loans													
Low	0	0.0	0.2	0	0.0	0.1	0	0.0	0.1	0	0.0	0.0	28.7
Moderate	11	3.3	4.9	674	2.3	3.1	2	0.2	2.0	176	0.2	1.4	12.8
Middle	32	9.6	13.3	2,586	9.0	10.4	8	1.0	6.6	515	0.7	5.2	15.2
Upper	117	35.2	56.3	13,021	45.2	66.4	91	11.3	32.7	13,813	18.9	43.6	43.3
Unknown	172	51.8	25.4	12,547	43.5	20.0	702	87.4	58.5	58,478	80.1	49.7	0.0
Total	332	100.0	100.0	28,828	100.0	100.0	803	100.0	100.0	72,982	100.0	100.0	100.0
Source: 2020 FFIEC Census Data													
2011-2015 U.S. Census Bureau: American Community Survey													
Note: Percentages may not total 100.0 percent due to rounding.													
Multifamily loans are not included in the borrower distribution analysis.													

Distribution of 2019 and 2020 Home Mortgage Lending By Borrower Income Level													
Assessment Area: MSA 38660													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2019						2020						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	\$%	#	%	%	\$(000)	%	\$%	
Other Purpose LOC													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	28.7
Moderate	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	12.8
Middle	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	15.2
Upper	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	43.3
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Total	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	100.0
Other Purpose Closed/Exempt													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	28.7
Moderate	0	0.0	6.7	0	0.0	8.5	0	0.0	0.0	0	0.0	0.0	12.8
Middle	0	0.0	26.7	0	0.0	32.1	0	0.0	60.0	0	0.0	55.9	15.2
Upper	0	0.0	60.0	0	0.0	51.9	0	0.0	40.0	0	0.0	44.1	43.3
Unknown	0	0.0	6.7	0	0.0	7.5	0	0.0	0.0	0	0.0	0.0	0.0
Total	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0
Purpose Not Applicable													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	28.7
Moderate	0	0.0	0.0	123	1.7	0.0	0	0.0	0.0	606	1.3	0.0	12.8
Middle	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	15.2
Upper	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	43.3
Unknown	123	100.0	100.0	0	0.0	100.0	606	100.0	100.0	0	0.0	100.0	0.0
Total	123	100.0	100.0	7,276	100.0	100.0	606	100.0	100.0	47,135	100.0	100.0	100.0

Source: 2020 FFIEC Census Data
2011-2015 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Distribution of 2019 and 2020 Small Business Lending By Income Level of Geography													
Assessment Area: MSA 38660													
Geographic Income Level	Bank And Aggregate Loans By Year												Total Businesses %
	2019						2020						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	\$%	#	%	%	\$(000)	%	\$%	
Low	31	5.2	6.2	3,234	8.2	9.6	80	4.1	4.6	6,291	7.5	6.1	9.7
Moderate	131	21.9	20.6	8,969	22.6	21.2	380	19.6	20.2	15,745	18.8	19.9	32.2
Middle	159	26.5	22.0	10,115	25.5	23.1	530	27.3	25.8	17,892	21.3	23.5	24.1
Upper	264	44.1	41.1	16,731	42.2	42.3	904	46.6	45.8	42,144	50.3	47.3	30.0
Unknown	14	2.3	10.1	566	1.4	3.8	47	2.4	3.6	1,786	2.1	3.2	3.9
Total	599	100.0	100.0	39,615	100.0	100.0	1,941	100.0	100.0	83,858	100.0	100.0	100.0

Source: 2020 FFIEC Census Data
2020 Dun & Bradstreet Data
2011-2015 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Distribution of 2019 and 2020 Small Business Lending By Revenue Size of Businesses													
Assessment Area: MSA 38660													
	Bank And Aggregate Loans By Year												Total Businesses %
	2019						2020						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	\$%	\$%	#	%	%	\$(000)	\$%	\$%	
By Revenue													
\$1 Million or Less	425	71.0	58.4	21,018	53.1	46.0	779	40.1	34.4	31,156	37.2	28.2	82.6
Over \$1 Million	143	23.9		15,952	40.3		287	14.8		34,738	41.4		16.7
Revenue Unknown	31	5.2		2,645	6.7		875	45.1		17,964	21.4		0.7
Total	599	100.0		39,615	100.0		1,941	100.0		83,858	100.0		100.0
By Loan Size													
\$100,000 or Less	525	87.6	88.5	17,840	45.0	40.4	1,783	91.9	91.8	39,758	47.4	45.7	
\$100,001 - \$250,000	49	8.2	7.5	8,432	21.3	21.8	98	5.0	5.0	15,821	18.9	18.4	
\$250,001 - \$1 Million	25	4.2	4.0	13,343	33.7	37.8	60	3.1	3.2	28,279	33.7	36.0	
Total	599	100.0	100.0	39,615	100.0	100.0	1,941	100.0	100.0	83,858	100.0	100.0	
By Loan Size and Revenues \$1 Million or Less													
\$100,000 or Less	389	91.5		11,065	52.6		736	94.5		17,996	57.8		
\$100,001 - \$250,000	24	5.6		4,161	19.8		25	3.2		4,066	13.1		
\$250,001 - \$1 Million	12	2.8		5,792	27.6		18	2.3		9,094	29.2		
Total	425	100.0		21,018	100.0		779	100.0		31,156	100.0		
Source: 2020 FFIEC Census Data 2020 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.													

Distribution of 2019 and 2020 Small Farm Lending By Income Level of Geography													
Assessment Area: MSA 38660													
Geographic Income Level	Bank And Aggregate Loans By Year												Total Farms %
	2019						2020						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	\$%	\$%	#	%	%	\$(000)	\$%	\$%	
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	0	0.0	0.0	0	0.0	0.0	21	52.5	52.5	185	30.4	30.4	30.8
Middle	3	100.0	75.0	95	100.0	96.0	11	27.5	27.5	227	37.3	37.3	23.1
Upper	0	0.0	0.0	0	0.0	0.0	8	20.0	20.0	196	32.2	32.2	46.2
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	25.0	0	0.0	4.0	0	0.0	0.0	0	0.0	0.0	
Total	3	100.0	100.0	95	100.0	100.0	40	100.0	100.0	608	100.0	100.0	100.0
Source: 2020 FFIEC Census Data 2020 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.													

Distribution of 2019 and 2020 Small Farm Lending By Revenue Size of Farms													
Assessment Area: MSA 38660													
	Bank And Aggregate Loans By Year												Total Farms %
	2019						2020						
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	%	#%	\$(000)	\$%	\$%	#	%	#%	\$(000)	\$%	\$%	
By Revenue													
\$1 Million or Less	3	100.0	100.0	95	100.0	100.0	8	20.0	20.0	214	35.2	35.2	92.3
Over \$1 Million	0	0.0		0	0.0		0	0.0		0	0.0		7.7
Revenue Unknown	0	0.0		0	0.0		32	80.0		394	64.8		0.0
Total	3	100.0		95	100.0		40	100.0		608	100.0		100.0
By Loan Size													
\$100,000 or Less	3	100.0	100.0	95	100.0	100.0	39	97.5	97.5	507	83.4	83.4	
\$100,001 - \$250,000	0	0.0	0.0	0	0.0	0.0	1	2.5	2.5	101	16.6	16.6	
\$250,001 - \$500,000	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	3	100.0	100.0	95	100.0	100.0	40	100.0	100.0	608	100.0	100.0	
By Loan Size and Revenues \$1 Million or Less													
\$100,000 or Less	3	100.0		95	100.0		8	100.0		214	100.0		
\$100,001 - \$250,000	0	0.0		0	0.0		0	0.0		0	0.0		
\$250,001 - \$500,000	0	0.0		0	0.0		0	0.0		0	0.0		
Total	3	100.0		95	100.0		8	100.0		214	100.0		
<i>Source: 2020 FFIEC Census Data 2020 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey</i>													
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>													

Distribution of 2019 and 2020 Home Mortgage Lending By Income Level of Geography													
Assessment Area: USVI													
Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2019						2020						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	%	#	%	%	\$(000)	%	%	
Home Purchase Loans													
Low	1	8.3	0.0	64	3.7	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	3	25.0	0.0	521	30.4	0.0	4	16.7	17.9	622	18.9	16.7	0.0
Middle	5	41.7	0.0	496	28.9	0.0	12	50.0	41.1	1,774	54.0	49.8	0.0
Upper	3	25.0	0.0	635	37.0	0.0	8	33.3	25.0	893	27.2	23.0	0.0
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	16.1	0	0.0	10.5	0.0
Total	12	100.0	0.0	1,715	100.0	0.0	24	100.0	100.0	3,288	100.0	100.0	0.0
Refinance Loans													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	1	10.0	0.0	75	5.1	0.0	7	28.0	46.2	1,487	19.0	41.8	0.0
Middle	8	80.0	0.0	1,188	80.6	0.0	9	36.0	38.5	2,846	36.3	42.1	0.0
Upper	1	10.0	0.0	212	14.4	0.0	9	36.0	15.4	3,503	44.7	16.1	0.0
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	10	100.0	0.0	1,475	100.0	0.0	25	100.0	100.0	7,835	100.0	100.0	0.0
Home Improvement Loans													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Middle	4	66.7	0.0	1,313	67.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Upper	2	33.3	0.0	648	33.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	6	100.0	0.0	1,960	100.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Multifamily Loans													Multi-family Units %
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Middle	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Upper	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Total Home Mortgage Loans													Owner Occupied Units %
Low	1	3.6	0.0	64	1.2	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	4	14.3	100.0	596	11.6	100.0	11	22.4	23.2	2,108	19.0	23.0	0.0
Middle	17	60.7	0.0	2,998	58.2	0.0	21	42.9	40.6	4,620	41.5	47.9	0.0
Upper	6	21.4	0.0	1,495	29.0	0.0	17	34.7	23.2	4,396	39.5	21.3	0.0
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	13.0	0	0.0	7.9	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	28	100.0	100.0	5,152	100.0	100.0	49	100.0	100.0	11,123	100.0	100.0	0.0

Source: 2020 FFIEC Census Data
2011-2015 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Distribution of 2019 and 2020 Home Mortgage Lending By Income Level of Geography													
Assessment Area: USVI													
Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2019						2020						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	\$%	\$%	#	%	%	\$(000)	\$%	\$%	
Other Purpose LOC													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Middle	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Upper	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Total	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Other Purpose Closed/Exempt													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Middle	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Upper	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Total	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Purpose Not Applicable													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	0	0.0	100.0	0	0.0	100.0	0	0.0	0.0	0	0.0	0.0	0.0
Middle	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Upper	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Total	0	0.0	100.0	0	0.0	100.0	0	0.0	0.0	0	0.0	0.0	0.0
Source: 2020 FFIEC Census Data													
2011-2015 U.S. Census Bureau: American Community Survey													
Note: Percentages may not total 100.0 percent due to rounding.													

Distribution of 2019 and 2020 Home Mortgage Lending By Borrower Income Level													
Assessment Area: USVI													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2019						2020						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	\$%	\$%	#	%	%	\$(000)	\$%	\$%	
Home Purchase Loans													
Low	1	8.3	0.0	81	4.7	0.0	1	4.2	0.0	30	0.9	0.0	0.0
Moderate	3	25.0	0.0	219	12.8	0.0	1	4.2	3.6	80	2.4	1.5	0.0
Middle	3	25.0	0.0	565	32.9	0.0	6	25.0	5.4	623	18.9	3.3	0.0
Upper	5	41.7	0.0	851	49.6	0.0	16	66.7	91.1	2,556	77.7	95.2	0.0
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Total	12	100.0	0.0	1,715	100.0	0.0	24	100.0	100.0	3,288	100.0	100.0	0.0
Refinance Loans													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	2	20.0	0.0	190	12.9	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Middle	3	30.0	0.0	345	23.4	0.0	4	16.0	15.4	806	10.3	12.4	0.0
Upper	5	50.0	0.0	940	63.7	0.0	21	84.0	84.6	7,029	89.7	87.6	0.0
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Total	10	100.0	0.0	1,475	100.0	0.0	25	100.0	100.0	7,835	100.0	100.0	0.0
Home Improvement Loans													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Middle	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Upper	6	100.0	0.0	1,961	100.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Total	6	100.0	0.0	1,960	100.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Total Home Mortgage Loans													
Low	1	3.6	0.0	81	1.6	0.0	1	2.0	0.0	30	0.3	0.0	0.0
Moderate	5	17.9	0.0	409	7.9	0.0	1	2.0	2.9	80	0.7	1.1	0.0
Middle	6	21.4	0.0	910	17.7	0.0	10	20.4	7.2	1,429	12.8	5.6	0.0
Upper	16	57.1	0.0	3,752	72.8	0.0	37	75.5	89.9	9,585	86.2	93.3	0.0
Unknown	0	0.0	100.0	0	0.0	100.0	0	0.0	0.0	0	0.0	0.0	0.0
Total	28	100.0	100.0	5,152	100.0	100.0	49	100.0	100.0	11,123	100.0	100.0	0.0
<p>Source: 2020 FFIEC Census Data 2011-2015 U.S. Census Bureau: American Community Survey</p> <p>Note: Percentages may not total 100.0 percent due to rounding. Multifamily loans are not included in the borrower distribution analysis.</p>													

Distribution of 2019 and 2020 Home Mortgage Lending By Borrower Income Level													
Assessment Area: USVI													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2019						2020						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	\$%	\$%	#	#%	#%	\$(000)	\$%	\$%	
Other Purpose LOC													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Middle	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Upper	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Total	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Other Purpose Closed/Exempt													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Middle	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Upper	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Total	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Purpose Not Applicable													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Middle	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Upper	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Unknown	0	0.0	100.0	0	0.0	100.0	0	0.0	0.0	0	0.0	0.0	0.0
Total	0	0.0	100.0	0	0.0	100.0	0	0.0	0.0	0	0.0	0.0	0.0

Source: 2020 FFIEC Census Data
2011-2015 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Distribution of 2019 and 2020 Small Business Lending By Income Level of Geography													
Assessment Area: USVI													
Geographic Income Level	Bank And Aggregate Loans By Year												Total Businesses %
	2019						2020						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	\$%	\$%	#	#%	#%	\$(000)	\$%	\$%	
Low	0	0.0	0.0	0	0.0	0.0	1	0.1	0.2	2	0.0	0.3	0.1
Moderate	31	48.4	16.5	3,863	40.6	27.5	226	32.3	27.4	11,816	38.8	35.0	54.5
Middle	23	35.9	17.2	4,510	47.4	42.4	352	50.3	41.7	14,248	46.7	46.4	32.6
Upper	10	15.6	4.0	1,142	12.0	5.0	121	17.3	11.6	4,424	14.5	12.3	12.9
Unknown	0	0.0	62.3	0	0.0	25.0	0	0.0	19.0	0	0.0	6.0	0.0
Total	64	100.0	100.0	9,515	100.0	100.0	700	100.0	100.0	30,490	100.0	100.0	100.0

Source: 2020 FFIEC Census Data
2020 Dun & Bradstreet Data
2011-2015 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Distribution of 2019 and 2020 Small Business Lending By Revenue Size of Businesses													
Assessment Area: USVI													
	Bank And Aggregate Loans By Year												Total Businesses %
	2019						2020						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	%	#	%	%	\$(000)	%	%	
By Revenue													
\$1 Million or Less	37	57.8	38.0	3,341	35.1	29.3	79	11.3	15.0	4,774	15.7	9.0	87.9
Over \$1 Million	24	37.5		4,734	49.8		59	8.4		10,390	34.1		10.5
Revenue Unknown	3	4.7		1,440	15.1		562	80.3		15,326	50.3		1.6
Total	64	100.0		9,515	100.0		700	100.0		30,490	100.0		100.0
By Loan Size													
\$100,000 or Less	42	65.6	94.2	2,130	22.4	41.0	631	90.1	89.2	12,053	39.5	39.1	
\$100,001 - \$250,000	9	14.1	2.9	1,577	16.6	15.6	46	6.6	7.5	7,653	25.1	26.7	
\$250,001 - \$1 Million	13	20.3	2.8	5,808	61.0	43.5	23	3.3	3.3	10,784	35.4	34.3	
Total	64	100.0	100.0	9,515	100.0	100.0	700	100.0	100.0	30,490	100.0	100.0	
By Loan Size and Revenues \$1 Million or Less													
\$100,000 or Less	28	75.7		1,222	36.6		70	88.6		2,346	49.1		
\$100,001 - \$250,000	5	13.5		715	21.4		5	6.3		822	17.2		
\$250,001 - \$1 Million	4	10.8		1,404	42.0		4	5.1		1,606	33.6		
Total	37	100.0		3,341	100.0		79	100.0		4,774	100.0		

Source: 2020 FFIEC Census Data
2020 Dun & Bradstreet Data
2011-2015 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Distribution of 2019 and 2020 Small Farm Lending By Income Level of Geography													
Assessment Area: USVI													
Geographic Income Level	Bank And Aggregate Loans By Year												Total Farms %
	2019						2020						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	%	#	%	%	\$(000)	%	%	
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	5.6
Moderate	0	0.0	0.0	0	0.0	0.0	3	25.0	25.0	41	22.0	22.0	50.0
Middle	0	0.0	0.0	0	0.0	0.0	4	33.3	33.3	73	39.2	39.2	22.2
Upper	0	0.0	0.0	0	0.0	0.0	5	41.7	41.7	72	38.7	38.7	22.2
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Total	0	0.0	0.0	0	0.0	0.0	12	100.0	100.0	186	100.0	100.0	100.0

Source: 2020 FFIEC Census Data
2020 Dun & Bradstreet Data
2011-2015 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Distribution of 2019 and 2020 Small Farm Lending By Revenue Size of Farms													
Assessment Area: USVI													
	Bank And Aggregate Loans By Year												Total Farms %
	2019						2020						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	%	#	%	%	\$(000)	%	%	
By Revenue													
\$1 Million or Less	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	100.0
Over \$1 Million	0	0.0		0	0.0		1	8.3		33	17.7		0.0
Revenue Unknown	0	0.0		0	0.0		11	91.7		153	82.3		0.0
Total	0	0.0		0	0.0		12	100.0		186	100.0		100.0
By Loan Size													
\$100,000 or Less	0	0.0	0.0	0	0.0	0.0	12	100.0	100.0	186	100.0	100.0	
\$100,001 - \$250,000	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
\$250,001 - \$500,000	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	0	0.0	0.0	0	0.0	0.0	12	100.0	100.0	186	100.0	100.0	
By Loan Size and Revenues \$1 Million or Less													
\$100,000 or Less	0	0.0		0	0.0		0	0.0		0	0.0		
\$100,001 - \$250,000	0	0.0		0	0.0		0	0.0		0	0.0		
\$250,001 - \$500,000	0	0.0		0	0.0		0	0.0		0	0.0		
Total	0	0.0		0	0.0		0	0.0		0	0.0		
<i>Source: 2020 FFIEC Census Data 2020 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey</i>													
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>													

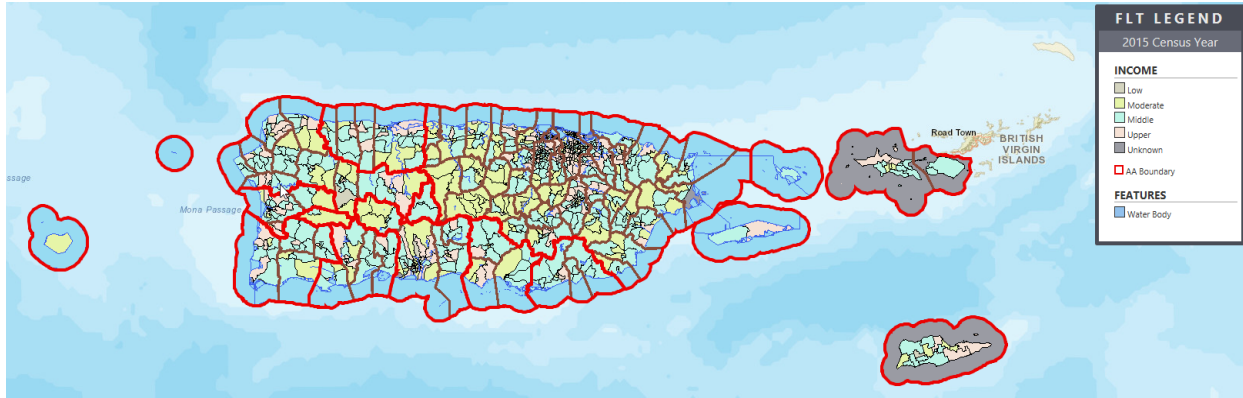
**APPENDIX B
SCOPE OF EXAMINATION TABLE**

SCOPE OF EXAMINATION			
TIME PERIOD REVIEWED		Lending: January 1, 2019 – December 31, 2020 Community Development Activity: July 1, 2019 through March 31, 2022	
FINANCIAL INSTITUTION			PRODUCTS REVIEWED
Banco Popular de Puerto Rico 209 Munoz Rivera Avenue San Juan, PR			Home Purchase Refinancing Home Improvement Small Business Small Farm
AFFILIATE(S)	AFFILIATE RELATIONSHIP		PRODUCTS REVIEWED
Popular Mortgage Inc.	Bank Subsidiary		• Mortgage Originations
Popular Auto, Inc.	Bank Subsidiary		
LIST OF ASSESSMENT AREAS AND TYPE OF EXAMINATION			
ASSESSMENT AREA	TYPE OF EXAMINATION	BRANCHES VISITED	OTHER INFORMATION
PUERTO RICO MSA 41980 (San Juan-Bayamón-Caguas, PR) MSA 10380 (Aguadilla-Isabela, PR) MSA 38660 (Ponce, PR) MSA 11640 (Arecibo, PR) MSA 25020 (Guayama, PR) MSA 32420 (Mayagüez, PR) MSA 41900 (San Germán, PR) MSA 49500 (Yauco, PR) Non-Metropolitan Area	Full-scope Review Full-scope Review Full-scope Review Limited-scope Review Limited-scope Review Limited-scope Review Limited-scope Review Limited-scope Review Limited-scope Review	None	None
U.S. VIRGIN ISLANDS Non-metro Islands of St. Thomas, St. Croix, and St. John	Full-scope Review	None	None

APPENDIX C
SUMMARY OF ASSESSMENT AREA RATINGS

STATE	LENDING TEST RATING	INVESTMENT TEST RATING	SERVICE TEST RATING	OVERALL RATING
Puerto Rico	High Satisfactory	High Satisfactory	High Satisfactory	Satisfactory
U.S. Virgin Islands	Low Satisfactory	High Satisfactory	High Satisfactory	Satisfactory

APPENDIX D ASSESSMENT AREA MAP



APPENDIX E

GLOSSARY

Aggregate lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

Census tract: A small, relatively permanent statistical subdivision of a county or statistically equivalent entity delineated for data presentation purposes by a local group of census data users or the geographic staff of a regional census center in accordance with Census Bureau guidelines. Designed to be relatively homogeneous units with respect to population characteristics, economic status, and living conditions at the time they are established, census tracts generally contain between 1,000 and 8,000 people, with an optimum size of 4,000 people. Census tract boundaries are delineated with the intention of being stable over many decades, so they generally follow relatively permanent visible features. However, they may follow governmental unit boundaries and other invisible features in some instances; the boundary of a state or county (or statistically equivalent entity) is always a census tract boundary.

Community development: Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; or, activities that revitalize or stabilize low- or moderate-income geographies.

Effective September 1, 2005, the Board of Governors of the Federal Reserve System, Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation have adopted the following additional language as part of the revitalize or stabilize definition of community development. Activities that revitalize or stabilize-

1. Low-or moderate-income geographies;
2. Designated disaster areas; or
3. Distressed or underserved nonmetropolitan middle-income geographies designated by the Board, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency, based on-
 - a. Rates of poverty, unemployment, and population loss; or
 - b. Population size, density, and dispersion. Activities that revitalize and stabilize geographies designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of low- and moderate-income individuals.

Consumer loan(s): A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, home equity loans, other secured consumer loans, and other unsecured consumer loans.

Distressed or Underserved Non-Metropolitan Middle-Income Area: A middle-income, nonmetropolitan geography that is distressed due to economic factors, such as unemployment levels, poverty, or population loss, or is underserved based on population size, density and dispersion.

Family: A family is a group of two or more people related by birth, marriage, or adoption and residing together; all such people (including related subfamily members) are considered as members of one family.

Full Review: Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (for example, geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (for example, innovativeness, complexity, and responsiveness).

Geography: A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and income of applicants, the amount of loan requested, and the disposition of the application (e.g., approved, denied, and withdrawn).

Home mortgage loans: Includes home purchase and home improvement loans as defined in the HMDA regulation. This definition also includes multifamily (five or more families) dwelling loans, loans for the purchase of manufactured homes, and loans to refinance home improvement and home purchase loans.

Household: A household consists of all the people who occupy a housing unit. A household includes the related family members and all the unrelated people, if any, such as lodgers, foster children, wards, or employees who share the housing unit. A person living alone in a housing unit, or a group of unrelated people sharing a housing unit such as partners or roomers, is also counted as a household. The count of households excludes group quarters.

Limited-scope review: Performance is analyzed using only quantitative factors.

Low-income: Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent, in the case of a geography.

Market share: The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

Metropolitan area (MA): A metropolitan statistical area (MSA) or a metropolitan division (MD) as defined by the Office of Management and Budget. A MSA is a core area containing at least one urbanized area of 50,000 or more inhabitants, together with adjacent communities having a high degree of economic and social integration with that core. A MD is a division of a MSA based on specific criteria including commuting patterns. Only a MSA that has a population of at least 2.5 million may be divided into MDs.

Middle-income: Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 percent and less than 120 percent, in the case of a geography.

Moderate-income: Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 percent and less than 80 percent, in the case of a geography.

Multifamily: Refers to a residential structure that contains five or more units.

Other products: Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during the CRA evaluation. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

Owner-occupied units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

Qualified investment: A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

Rated area: A rated area is a state or multistate metropolitan area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multistate metropolitan area, the institution will receive a rating for the multistate metropolitan area.

Small loan(s) to business(es): A loan included in 'loan to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) and the Thrift Financial Reporting (TFR) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as 'small business loans' if the loans are reported on the TFR as nonmortgage, commercial loans.

Small loan(s) to farm(s): A loan included in 'loans to small farms' as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland or are classified as loans to finance agricultural production and other loans to farmers.

Upper-income: Individual income that is more than 120 percent of the area median income, or a median family income that is more than 120 percent, in the case of a geography.